

**立法會**  
**Legislative Council**

LC Paper No. CB(1)118/09-10  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/DEV/1

**Panel on Development**

**Minutes of special meeting  
held on Thursday, 16 July 2009, at 2:30 pm  
in the Chamber of the Legislative Council Building**

**Members present** : Hon LAU Wong-fat, GBM, GBS, JP (Chairman)  
Prof Hon Patrick LAU Sau-shing, SBS, JP (Deputy Chairman)  
Hon Albert HO Chun-yan  
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP  
Hon James TO Kun-sun  
Hon CHAN Kam-lam, SBS, JP  
Hon WONG Yung-kan, SBS, JP  
Hon Abraham SHEK Lai-him, SBS, JP  
Hon Albert CHAN Wai-yip  
Hon LEE Wing-tat  
Hon Alan LEONG Kah-kit, SC  
Hon KAM Nai-wai, MH  
Hon Cyd HO Sau-lan  
Hon Starry LEE Wai-king  
Hon Tanya CHAN  
Dr Hon Priscilla LEUNG Mei-fun  
Hon IP Kwok-him, GBS, JP  
Hon Mrs Regina IP LAU Suk-yea, GBS, JP  
Dr Hon Samson TAM Wai-ho, JP

**Member attending** : Hon WONG Kwok-hing, MH

**Members absent** : Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP  
Dr Hon Philip WONG Yu-hong, GBS  
Hon Emily LAU Wai-hing, JP  
Hon Timothy FOK Tsun-ting, GBS, JP  
Hon CHEUNG Hok-ming, GBS, JP

**Public officers attending** : **Agenda item I**

Mrs Carrie LAM CHENG Yuet-ngor, JP  
Secretary for Development

Mr Raymond YOUNG Lap-moon, JP  
Permanent Secretary for Development  
(Planning and Lands)

Mr Tommy YUEN Man-chung, JP  
Deputy Secretary for Development  
(Planning and Lands) 2

Ms Winnie SO Chui-ying  
Principal Assistant Secretary for Development  
(Planning and Lands) 4

**Attendance by Invitation** : **Agenda item I**

Deputations

Individual

Mr CHAN Chiu-kwok

The Union of SOS-Owners

Mr Edward SINN  
General Secretary

Ms Anna CHU  
Member

People Planning in Action

Mr WONG Ho-yin  
Member

The Hong Kong Institute of Surveyors

Dr Lawrence POON  
Chairman of General Practice Division

Mr Stephen YIP  
Senior Vice President

Individual

Mr Desmond SHAM

Individual

Ms CHU Shui-kam

Individual

Mr Victor SIN

Individual

Ms YUEN Lai-yun

Individual

Ms IP So-hang

Individual

Mr NG Sik-lung

茶果嶺區舊樓重建會

Mr CHAN Chun  
Vice Chairman

Mr YEUNG Hop-kei  
Committee Member

觀塘重建居民協會

Mr YUEN Yan-fai  
Chairman

Mr David TAM  
Representative

Alliance of Kwun Tong's Urban Renewal

Ms Helen WONG  
Chairman

Ms TSE Wai-lin  
Committee Member

Hong Kong Institute of Real Estate Administrators

Mr Stanley WONG  
Vice-President

Individual

Mr CHONG Pui-wah (represented by Mr Julian FUNG)

K28 Sport Shoes Street Concern Group

Mr CHAM Kam-shu  
Representative

Ms IU Siu-yung  
Representative

The Hong Kong Association for the Advancement of  
Real Estate and Construction Technology Limited

Mr WOO Wai-man  
Chairman of Executive Board

Mr CHOI Ngai-min  
Vice-President

Green Sense

Mr Roy TAM  
President

Individual

Mr LI Yu-ting

Individual

Mr KWOK King-ming

Individual

Mr YUEN Ka-kui

Individual

Mr HUI Yiu-hung

Individual

Miss TAM Mei-kay

Hong Kong Christian Institute

Ms CHAN Yuk-fan  
Civil Society Education Project Assistant

Individual

Mr TANG Ka-kui

Central & Western Concern Group

Ms Katty LAW  
Member

Individual

Mr WONG Chi-sum

Individual

Mr KU Nai-hong

Individual

Mr CHAN Wai-ming  
Tsuen Wan District Council member

Individual

Mr LO Siu-kit  
Tsuen Wan District Council member

The Real Estate Developers Association of Hong Kong

Mr Louis LOONG  
Secretary General

Individual

Dr Stephen L CHAN

Individual

Mr LEUNG Kwok-keung

Individual

Mr HO King-kuen

Individual

Mr Danny CHAN

Kwun Tong District Council

Mr CHAN Wah-yu  
Member

Individual

Mr Trackie LAM

Individual

Mr LEUNG Yuk-ming

Individual

Miss AU Hiu-may

Individual

Mr POON Wai-keung

Individual

Mr Elwyn CHAN

Individual

Miss YIP Mee-yung (represented by Ms CHIK Yuk-chun)

Individual

Mrs KAM FOK Lai-ching

Individual

Mr YUEN Chi-yan

Individual

Mr NG Yin-keung

Joint-Conference on the Development of Kwun Tong

Ms LEUNG Fu-wing  
Committee Member

Mr HUI Chin-pang  
Committee Member

Hong Kong Kwun Tong Industries & Commerce Association

Mr WAI Tze-pong  
Executive Director

Individual

Ms LEUNG Kim-man

Individual

Mr CHAN Wing-cheong

Individual

Miss CHAN Yuen-ling

Individual

Ms CHAN Siu-man

Individual

Mr WONG Wing-hung

Individual

Mr CHAN Tin-sing

**Clerk in attendance :** Ms Anita SIT  
Chief Council Secretary (1)4

**Staff in attendance :** Mr WONG Siu-yee  
Senior Council Secretary (1)7

Ms Christina SHIU  
Legislative Assistant (1)7

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Action

**I Proposals to facilitate redevelopment by the private sector:  
application threshold under the Land (Compulsory Sale for  
Redevelopment) Ordinance**

(LC Paper No. CB(1)2260/08-09(01) -- Administration's paper on  
Proposals to facilitate  
redevelopment by the private  
sector: applications threshold  
under the Land (Compulsory  
Sale for Redevelopment)  
Ordinance

LC Paper No. CB(1)1947/08-09(05) -- Administration's paper on  
proposals to facilitate  
redevelopment by the private  
sector: applications threshold  
under the Land (Compulsory  
Sale for Redevelopment)  
Ordinance)

***Submissions from organizations/individuals not attending the meeting***

(LC Paper No. CB(1)2225/08-09(24) -- Submission from Ms CHAN  
Li-li received on 2 July 2009

LC Paper No. CB(1)2225/08-09(25) -- Submission from a group of  
owners dated 3 July 2009

LC Paper No. CB(1)2225/08-09(26) -- Submission from a member of



- the public dated 3 July 2009
- LC Paper No. CB(1)2225/08-09(27) -- Submission from a member of the public (許惠珍) dated 4 July 2009
- LC Paper No. CB(1)2225/08-09(28) -- Submission from Ms CHOI Ming-yuen dated 6 July 2009
- LC Paper No. CB(1)2225/08-09(29) -- Submission from Hip Shing Hong Group dated 8 July 2009
- LC Paper No. CB(1)2225/08-09(30) -- Submission from Hong Kong Kowloon City Industry and Commerce Association Limited dated 8 July 2009
- LC Paper No. CB(1)2225/08-09(31) -- Submission from a member of the public (梁柱) dated 9 July 2009
- LC Paper No. CB(1)2225/08-09(32) -- Submission from Mr CHAN Chung-bun, Chairman of the Kwun Tong District Council dated 9 July 2009
- LC Paper No. CB(1)2260/08-09(02) -- Submission from The Hong Kong Construction Association Ltd. dated July 2009
- LC Paper No. CB(1)2260/08-09(03) -- Submission from Mr KOO Nam-king dated 13 July 2009
- LC Paper No. CB(1)2260/08-09(04) -- Submission from Ms WONG Wai-hing dated 13 July 2009
- LC Paper No. CB(1)2260/08-09(05) -- Submission from a member of the public (李明德) dated 13 July 2009
- LC Paper No. CB(1)2260/08-09(06) -- Submission from Association of Engineering Professionals in Society Ltd. dated July 2009
- LC Paper No. CB(1)2260/08-09(07) -- Submission from The Hong Kong Institution of Engineers dated 13 July 2009
- LC Paper No. CB(1)2260/08-09(08) -- Submission from a member of the public (黃婉媚) received on 13 July 2009
- LC Paper No. CB(1)2260/08-09(09) -- Submission from Kowloon City District Council dated 13 July 2009

***Other relevant papers and submissions previously issued***

- (LC Paper No. CB(1)1947/08-09(06) -- Paper on proposal to lower the application threshold under the Land (Compulsory Sale for Redevelopment) Ordinance prepared by the Legislative Council Secretariat (Background brief)
- LC Paper No. CB(1)1874/08-09(01) -- Submission from the Democratic Alliance for the Betterment and Progress of Hong Kong dated 4 June 2009
- LC Paper No. CB(1)1874/08-09(02) -- Submission from Ms CHAN Li-li received on 8 June 2009
- LC Paper No. CB(1)2000/08-09(02) -- Joint submission from a group of organizations received on 19 June 2009
- LC Paper No. CB(1)2039/08-09(04) -- Submission from a deputation (市區規劃大聯盟) dated 22 June 2009
- LC Paper No. CB(1)2039/08-09(07) -- Submission from a member of the public (李維怡) received on 23 June 2009)

Session 1

Members noted the following submissions tabled at the meeting --

- (a) submission from Mr Desmond SHAM dated 15 July 2009;
- (b) submission from K28 波鞋街關注組 dated 16 July 2009;
- (c) submission from Central & Western Concern Group dated 16 July 2009;
- (d) submission from Mr YUEN Chi-yan dated 15 July 2009;
- (e) submission from 霍慶芳 dated 14 July 2009;
- (f) submission from The Hong Kong Federation of Electrical and Mechanical Contractors Limited dated 15 July 2009;
- (g) submission from YIU Cho-yan dated 15 July 2009;

- (h) submission from Jacqueline LAI dated 15 July 2009;
- (i) submission from Anthony NG Ping-chung dated 16 July 2009;
- (j) submission from Community Cultural Concern dated 16 July 2009;
- (k) submission from Civic Party dated 16 July 2009;
- (l) submission from Designing Hong Kong Limited dated 16 July 2009;
- (m) submission from The Hong Kong Institute of Architects;
- (n) revised submission from 茶果嶺區舊樓重建會 dated 16 July 2009;  
and
- (o) revised submission from Mr WONG Chi-sum.

*(Post-meeting note: The above submissions (LC Papers No. CB(1)2315/08-09(01) to (13), CB(1)2280/08-09(02) and CB(1)2225/08-09(12) respectively) were issued on 17 July 2009 by email)*

2. The Secretary for Development (SDEV) said that in compulsory land sale for redevelopment, the interests of the majority and minority owners were involved. As urban regeneration was a subject of wide public concern, the difficulties in redevelopment arising from dispersed property ownership had to be tackled. In response to Panel members' request, the Administration had provided a supplementary information paper (LC Paper No. CB(1)2260/08-09(01)) regarding 20 cases with compulsory sale orders granted by the Lands Tribunal under the Land (Compulsory Sale for Redevelopment) Ordinance (LCSRO) (Cap. 545) between June 1999 and May 2009. As the Lands Tribunal did not have written records on some of the information requested by Members, the Administration had compiled the paper based on available records and information from other sources. The Administration provided a more in-depth analysis on two of the cases and it would try to provide details about other cases in the next legislative session. The submission from 李明德 (LC Paper No. CB(1)2260/08-09(05)) also provided a detailed analysis on the two cases. Lai Shing Court, which was often cited for illustration purposes, was a redevelopment project implemented under the LCSRO. The LCSRO was introduced in 1999 with a view to facilitating private sector redevelopment of dilapidated buildings in multiple ownership provided specified conditions were fulfilled. There was no direct relationship between the ongoing Review of the Urban Renewal Strategy and the current proposal.

#### Presentation by deputations

3. The Chairman invited deputations to present their views.

*Mr CHAN Chiu-kwok*  
(LC Paper No. CB(1)2225/08-09(01))

4. Mr CHAN Chiu-kwok delivered his presentation, the details of which were given in the relevant submission. He added that although some owners considered the Lands Tribunal unfair, this was not the case if one studied the judgments of the Lands Tribunal. The developer could only apply for compulsory land sale when 90% of the owners were satisfied with the acquisition offers and sold their properties to the developer.

*The Union of SOS-Owners*  
(LC Paper No. CB(1)2225/08-09(02))

5. Mr Edward SINN, General Secretary, The Union of SOS-Owners, delivered his presentation, the details of which were given in the relevant submission. He added that many owners were threatened by interest groups and dared not express their opinions openly. Many deputations supported the Administration's proposal because interest groups whitewashed the proposal. Majority support did not amount to the truth. In compulsory land sale, public interests were infringed and interests were biased towards developers. Officials were duty-bound to establish and exercise social justice. The proposal should not be approved based on the perspective of justice. To solve the housing needs of the elderly, the Administration should offer a comprehensive retirement benefit system. To solve building dilapidation, the Buildings Department should step up enforcement. To revitalize old buildings, the Administration should require banks to offer mortgage with a loan-to-value ratio of 90% to owners of those buildings. The Administration had erred in implementing its policies.

*People Planning in Action*  
(LC Papers No. CB(1)2039/08-09(03) and CB(1)2280/08-09(01))

6. Mr WONG Ho-yin, Member, People Planning in Action, delivered his presentation, the details of which were given in the relevant submissions. He added that for private redevelopment, social impact assessments should be conducted and more options such as owner participation and flat-for-flat compensation should be provided.

*The Hong Kong Institute of Surveyors*  
(LC Papers No. CB(1)2000/08-09(01) and CB(1)2225/08-09(03))

7. Mr Stephen YIP, Senior Vice President, The Hong Kong Institute of Surveyors, and Dr Lawrence POON, Chairman of General Practice Division, The Hong Kong Institute of Surveyors, delivered their presentations, the details of which were given in the relevant submissions. Mr Stephen YIP added that it was important to understand the rights and duties in the ownership of multi-storey buildings, which could affect the environment of the community. Dr Lawrence

POON added that both developers and minority owners could engage their own surveyors to conduct valuation based on internationally recognized methods and the Lands Tribunal would safeguard the interests of the minority owners. Public auction conducted under compulsory land sale would ensure that the transaction price had reached the market price, thereby protecting the interests of the minority owners.

*Mr Desmond SHAM*

*(LC Paper No. CB(1)2315/08-09(01), tabled and soft copy issued on 17 July 2009 by email)*

8. Mr Desmond SHAM delivered his presentation, the details of which were given in the relevant submission. He added that he objected to the Administration's proposal and considered that the Administration was misleading the public by concealing the negative impacts of compulsory land sale.

*Ms CHU Shui-kam*

*(LC Paper No. CB(1)2225/08-09(04))*

9. Ms CHU Shui-kam delivered her presentation, the details of which were given in the relevant submission. She added that developers often used disturbing tactics and the acquisition prices they offered were too low. It would be desirable if flat-for-flat compensation could be offered as in the case of Lai Shing Court. She objected to the Administration's proposal.

*Mr Victor SIN*

10. Mr Victor SIN said that he owned a 50-year old sauce shop. His property was put to auction in the previous year and the price was 40% lower due to the financial tsunami. He could not benefit from the recovery of the property market at present because his property had already been sold compulsorily when the market was at the trough. After paying the legal fees for the lawsuit, he could only obtain some \$2.5 million for an at-grade shop with an area of 1 200 square feet in Causeway Bay. This was hard evidence of robbing civic property. Private property rights should be protected. He queried whether the Lands Tribunal had served as the gatekeeper stringently regarding the criteria of age and state of repair of the building. The developer adopted a scare tactic by saying that making sauces would cause smell and pollution. If improving the living environment of the elderly was a consideration for the Administration's proposal, the focus should not be on old buildings with redevelopment value only. Owners had the responsibility to maintain their properties and it would be unhealthy for them to evade their responsibility and wait for acquisition offers. The Administration's proposal was dividing owners who held opposing views on the matter and he queried who would benefit most from the proposal. In putting forward a proposal blatantly biased towards developers, the Administration lacked political wisdom and was not people-oriented.

*Ms YUEN Lai-yun*

11. Ms YUEN Lai-yun urged the Administration to pay attention to dilapidated buildings built in the 1960s when water rationing was being implemented. As elderly owners had no income or retirement benefits, they could not afford to rehabilitate their properties and could only improve their living environment by purchasing another flat if private developers or URA redeveloped their properties. Although it was desirable for URA to acquire old properties for redevelopment, the acquisition price was insufficient for affected owners to purchase a seven-year old flat in the same district. By way of illustration, owners affected by the Kwun Tong Town Centre project could only purchase seven-year old flats in the New Territories by topping up the differences between the acquisition prices and the purchase prices. Owners would support redevelopment if there was flat-for-flat compensation or owner participation in redevelopment. She urged officials, Legislative Council Members and District Council members to show consideration for the elderly living in old buildings without lifts.

*Ms IP So-hang*

12. Ms IP So-hang said that she supported redeveloping old districts and lowering the application threshold for compulsory land sale. However, the rights of citizens and elderly owners should be protected because property prices were rising and developers were reaping as much profit as possible. Some acquisition offers were much lower than the market price. In Cha Kwo Ling, there were 14 old buildings with a site area of 32 000 square feet and a high redevelopment value. The Administration should improve the amenity of old districts; devote more resources to allow the public to learn about the advantages of redevelopment and the options available; and encourage them to participate.

*Mr NG Sik-lung*

13. Mr NG Sik-lung said that he was living in a building aged more than 40 years in Cha Kwo Ling, which was built using salt water. There was serious water seepage from the external walls, especially during heavy rains and typhoons. Officials and Members should pay attention to the situation. Old areas in Cha Kwo Ling should be redeveloped.

茶果嶺區舊樓重建會

(LC Paper No. CB(1)2280/08-09(02), revised version tabled and soft copy issued on 17 July 2009 by email; and LC Paper No. CB(1)2321/08-09(01), soft copy of PowerPoint presentation materials issued on 17 July 2009 by email)

14. Mr YEUNG Hop-kei, Committee Member, 茶果嶺區舊樓重建會, delivered his presentation, the details of which were given in the relevant submission. Mr CHAN Chun, Vice Chairman, 茶果嶺區舊樓重建會, delivered a PowerPoint presentation to show the conditions of dilapidated buildings.

觀塘重建居民協會

15. Mr YUEN Yan-fai, Chairman, 觀塘重建居民協會, said that although the slogan of lowering the application threshold to improve the living conditions of residents sounded good, the execution process was problematic. In the past, the Administration had made pledges in order to gain the support of Kwun Tong residents but those pledges were not honoured. He had written to the Administration and URA on the matter but they just passed the buck. Mr David TAM, Representative, 觀塘重建居民協會, said that he and owners in Kwun Tong and other districts strongly objected to the relevant legislation. The important point was that it was unacceptable to rob the properties of or sacrifice the interests of individuals in order to allow society to develop. History demonstrated that this would not work and would lead to social and political unrest. Many owners in old districts were elderly owners who lacked legal knowledge, and developers used psychological tactics to pressurize them. The legislation sounded good but there were many problems during execution.

Alliance of Kwun Tong's Urban Renewal

16. Ms Helen WONG, Chairman, Alliance of Kwun Tong's Urban Renewal, said that land was scarce and valuable in Hong Kong and it was an important source of revenue for the Government. The Kwun Tong Town Centre project revealed the dark side and misery of Hong Kong, a city claimed to be under the rule of law. An elderly living in a rooftop structure with an area of some 400 square feet bought it in 1986 at some \$60,000. URA only offered \$100,000 as compensation and asked her to apply for public rental housing and Comprehensive Social Security Allowance. Residents could not resist URA and had no bargaining chips. There should be flat-for-flat and shop-for-shop compensation, owner participation and public consultation in redevelopment. Owners might lose their homes if the application threshold was lowered. They had to shoulder expensive legal fees when opposing wealthy and influential developers. The interests, property rights and redevelopment rights of the disadvantaged groups should be accorded top priority.

*Hong Kong Institute of Real Estate Administrators  
(LC Paper No. CB(1)2039/08-09(06))*

17. Mr Stanley WONG, Vice-President, Hong Kong Institute of Real Estate Administrators, delivered his presentation, the details of which were given in the relevant submission. He added that in view of the rapid pace of urban decay, it was impossible to rely on public bodies alone to implement redevelopment projects. Efforts from both public and private bodies were needed to solve the problem. As the small number of compulsory land sale cases showed that the relevant legislation could not effectively facilitate redevelopment, it was appropriate to review the relevant legislation and lower the application threshold. He considered it sound to impose the building age criterion. The 80% threshold should also be applicable to lots with "all units but two" acquired if the number of missing or untraceable owners was one or above. He had confidence in Hong Kong's legal system and trusted that the Lands Tribunal was fair. However, he considered that the developer concerned should bear the necessary legal costs and costs for engaging surveyors by owners.

*Mr CHONG Pui-wah (represented by Mr Julian FUNG)  
(LC Paper No. CB(1)2225/08-09(05); and LC Paper No. CB(1)2321/08-09(02),  
soft copy of PowerPoint presentation materials issued on 17 July 2009 by email)*

18. The Chairman said that in representing Mr CHONG Pui-wah, Mr Julian FUNG might only read out Mr CHONG Pui-wah's views. He might not participate in the discussion.

19. Mr Julian FUNG delivered Mr CHONG Pui-wah's views, the details of which were given in the relevant submission and PowerPoint presentation materials.

*K28 Sport Shoes Street Concern Group  
(LC Papers No. CB(1)1973/08-09(01) and CB(1)2225/08-09(06); and LC Paper  
No. CB(1)2315/08-09(02), tabled and soft copy issued on 17 July 2009 by email)*

20. Ms IU Siu-yung, Representative, K28 Sport Shoes Street Concern Group, delivered her presentation, the details of which were given in the relevant submissions.

*The Hong Kong Association for the Advancement of Real Estate and Construction  
Technology Limited  
(LC Paper No. CB(1)2039/08-09(05))*

21. Mr CHOI Ngai-min, Vice-President, The Hong Kong Association for the Advancement of Real Estate and Construction Technology Limited, delivered his presentation, the details of which were given in the relevant submission. He added that many old districts lacked facilities and led to amenity, environmental and hygiene problems. Building repair, maintenance and safety had become issues of



concern. The Administration should introduce effective policies and appropriate measures to facilitate and expedite redevelopment of old districts. He supported the Administration's proposal because in limiting its proposal to three specified classes of lots only, the Administration had struck a balance between facilitating redevelopment and protecting private property rights.

*Green Sense*

*(LC Paper No. CB(1)2225/08-09(07))*

22. Mr Roy TAM, President, Green Sense, delivered his presentation, the details of which were given in the relevant submission. He added that developers in Hong Kong were already very powerful and influential. The Administration should not facilitate them any further by lowering the application threshold because doing so might rob citizens of their land and properties. Many old estates would become 50 years of age soon. Mei Foo Sun Chuen was an example and he was worried that Phase 1 of the estate would be redeveloped later because the maximum allowable gross floor area had not been exhausted. The Administration's proposal would have important long-term implications on the citizens' living environment.

*Mr LI Yu-ting*

23. Mr LI Yu-ting said that he objected to lowering the application threshold to 80%. As there were already many problems with the 90% threshold, it was premature to lower the threshold to 80%. The Administration should improve the current situation and provide assistance to owners in matters such as legal fees. When the improvement measures were found to be successful, the Administration could then lower the application threshold if the proposal was supported by the public.

*Mr KWOK King-ming*

*(LC Paper No. CB(1)2225/08-09(08))*

24. Mr KWOK King-ming delivered his presentation, the details of which were given in the relevant submission. He added that the surveyor responsible for conducting valuation lacked sufficient knowledge of his properties, and he queried the criteria adopted by the surveyor. The Administration had the responsibility to ensure that valuation was conducted in a fair and just manner.

*Mr YUEN Ka-kui*

25. Mr YUEN Ka-kui said that he objected to lowering the application threshold. He was the owner of a small shop in Central Mansion and he and his family depended on the shop to earn a living. The valuation of his property was too low and conducted based on inappropriate criteria. He could see no future if he lost his shop. Minority owners did not have the capability to oppose large

developers. If the rights of minority owners were neglected, unfairness, injustice and corrupted practices might arise.

*Mr HUI Yiu-hung*  
(LC Paper No. CB(1)2225/08-09(09))

26. Mr HUI Yiu-hung delivered his presentation, the details of which were given in the relevant submission. He added that resorting to legal proceedings was very costly for minority owners.

*Miss TAM Mei-kay*

27. Miss TAM Mei-kay said that she lived in a dilapidated building and supported lowering the application threshold. The building was nine storeys tall without any lift and the environment was very poor. There were 84 owners in the building and only eight objected to sell their properties. She considered that the principle of majority rule should be adopted.

*Hong Kong Christian Institute*  
(LC Papers No. CB(1)2039/08-09(08) and CB(1)2225/08-09(10))

28. Ms CHAN Yuk-fan, Civil Society Education Project Assistant, Hong Kong Christian Institute, delivered her presentation, the details of which were given in the relevant submission. She added that she was worried that developers, not citizens, would benefit in the end if the application threshold was lowered. Citizens would have to face pressure from URA and private developers.

*Mr TANG Ka-kui*  
(LC Paper No. CB(1)2225/08-09(11))

29. Mr TANG Ka-kui delivered his presentation, the details of which were given in the relevant submission. He added that the Administration was biased towards developers by sacrificing the interests of owners. The acquisition price offered by the developer concerned was even lower than that offered by URA under similar circumstances. The developer said that owners would not have the financial resources to take the matter to court. The developer abused the compulsory land sale mechanism because after acquiring the properties, it indicated that it had no redevelopment plans, applied for change of land use and re-sold the properties at a much inflated price. The Administration cited the compulsory land sale mechanisms in six other places, but it had failed to reveal the whole truth because the national and market circumstances and criteria in each place were different. There were limitations in using the information. He objected to lowering the application threshold.

*Central & Western Concern Group  
(LC Paper No. CB(1)2315/08-09(03), tabled and soft copy issued on 17 July 2009  
by email)*

30. Ms Katty LAW, Member, Central & Western Concern Group, delivered her presentation, the details of which were given in the relevant submission.

*Mr WONG Chi-sum  
(LC Paper No. CB(1)2225/08-09(12), revised version tabled and soft copy issued  
on 17 July 2009 by email)*

31. Mr WONG Chi-sum delivered his presentation, the details of which were given in the relevant submission. He added that the submission from 李明德 mentioned by SDEV reflected only part of the picture.

*Mr KU Nai-hong  
(LC Paper No. CB(1)2225/08-09(13))*

32. Mr KU Nai-hong delivered his presentation, the details of which were given in the relevant submission.

*Mr CHAN Wai-ming, Tsuen Wan District Council member*

33. Mr CHAN Wai-ming, Tsuen Wan District Council member, said that taking into account the overall interests of society, Hong Kong's competitiveness and balance of interests between developers and owners, he supported lowering the application threshold to 85% under general circumstances. For single private residential buildings aged 50 years or above, he supported lowering the threshold to 80% because many of those buildings were six to 11 storeys tall and it would be difficult to implement redevelopment if one of the flats could not be acquired. The threshold could also be lowered to 80% for industrial buildings aged 40 years or above. For industrial buildings aged 30 years or above, the threshold could be lowered to 80% if there was evidence that 30% of the gross floor area had been changed to non-industrial uses.

*Mr LO Siu-kit, Tsuen Wan District Council member*

34. Mr LO Siu-kit, Tsuen Wan District Council member, said that there were many single private residential buildings aged 40 to 50 years in the town centre of Tsuen Wan. Although the Administration had provided \$1 billion for Operation Building Bright, it was very difficult to establish owners' corporations to carry out maintenance works. Statistics showed that many owners wanted to redevelop their buildings because it was extremely difficult to maintain the internal structure of those buildings. He supported lowering the application threshold provided that the acquisition price was sufficient for the affected owner to purchase a replacement flat in a fair manner.

*The Real Estate Developers Association of Hong Kong  
(LC Paper No. CB(1)2225/08-09(14))*

35. Mr Louis LOONG, Secretary General, The Real Estate Developers Association of Hong Kong, delivered his presentation, the details of which were given in the relevant submission.

*Dr Stephen L CHAN  
(LC Papers No. CB(1)2039/08-09(01) and CB(1)2225/08-09(15))*

36. Dr Stephen L CHAN delivered his presentation, the details of which were given in the relevant submissions. He added that lowering the application threshold would reduce the bargaining power and increase the costs of speculators.

*Mr LEUNG Kwok-keung  
(LC Paper No. CB(1)2225/08-09(33))*

37. Mr LEUNG Kwok-keung delivered his presentation, the details of which were given in the relevant submission.

Response by the Administration

38. SDEV said that land development and urban renewal work would often involve balancing the interests between the majority and the minority owners. When the LCSRO was enacted back in 1999 a specific provision has been agreed and included to the effect that the application threshold could be lowered to 80% subject to approval by the Chief Executive in Council and vetting by the Legislative Council through the negative vetting procedure. The Administration would carefully consider public views on the matter with a view to drawing up a balanced and definitive legislative proposal.

Discussion

39. Mr WONG Kwok-hing asked how the Administration would handle the divergent views on the subject matter. He considered that the crux was how to offer legal protection for private property rights. It was unfair to require owners to bear the fees for engaging independent surveyors.

40. SDEV responded that the problem of failing to acquire all the titles for implementing redevelopment to address the issue of urban decay had to be handled. The Administration's proposal was put forward under this premise. The Lands Tribunal would serve as the gatekeeper by adopting stringent criteria in considering applications for compulsory land sale. It would also consider the redevelopment value and the possible fluctuation in the price of the lot concerned. The Hong Kong Institute of Surveyors had prepared a booklet on compulsory land sale for the public's reference and the 10 Property Management Advisory Centres

of the Hong Kong Housing Society would provide advice and assistance to owners.

41. Mr Albert HO said that some conflicting calls were difficult to resolve. There were calls for protecting private property rights, maintaining a high application threshold so as to retain bargaining power and facilitating owners to obtain the highest possible proceeds through aggregation of titles for redevelopment. Nevertheless, those who supported and those opposed to the Administration's proposal held the common view that the execution process was problematic. There were concerns about the fairness of the valuation, reasonableness of the transaction price, basis for determining how the proceeds should be apportioned to each owner and costs to be borne by owners. Regardless of whether the application threshold was lowered or not, the mechanism should be improved so that it would be fairer. He suggested that the necessary costs for compulsory land sale could be paid by deducting the amount from the sale proceeds before distribution. When resuming properties, the MTR Corporation Limited would have to bear the owners' valuation fees unless the owners' cases were considered as frivolous by the court. Consideration should be given to offering owner participation as an option. Developers should consider offering flat-for-flat and shop-for-shop compensation, as well as rental subsidy like what had been done for Lai Shing Court. He asked what aspects of the mechanism the Administration considered that there was room for improvement.

42. SDEV responded that the LCSRO provided a framework to facilitate redevelopment and applications need not necessarily be made by developers. Individual owners could also submit an application. For Lai Shing Court, the application was jointly made by 171 owners, not by the developer. The sale proceeds available for distribution would depend on the redevelopment value. As the Town Planning Board had tightened up planning control on plot ratio and building height, she expected that the number of redevelopment projects which could achieve a high redevelopment value would be limited.

43. Mr LEE Wing-tat said that although owners could theoretically make an application for compulsory land sale, it was often impractical. There should be genuine competition in auctions conducted under compulsory land sale where developers, regardless of their scale, could bid under the free market. Otherwise, the transaction price could not reflect the market price. Developers had a lot of land reserves and if land premium increased, the value of their land would also increase. The fact that there were only two cases in which the transaction price was higher than the reserve price was a warning sign that such auctions could not protect the interests of owners.

44. SDEV responded that case number one in the Administration's paper provided a detailed explanation on the Lands Tribunal's considerations in determining the reserve price. In determining the reserve price, the Lands Tribunal had taken into account the redevelopment value. The Administration would conduct further analysis on those compulsory land sale cases.

45. Mr CHAN Kam-lam said that it was natural to have conflicting views on the subject matter. It was reasonable for owners to maximize the value of their properties. However, the potential value of old properties could only be realized through redevelopment because old properties were not sought after in the market. Owners wanted protection of their interests, but there were also speculators who asked for unreasonably high prices. He solicited views on how to protect the interests of owners and prevent speculators from exploiting the process. He considered that the compulsory land sale process should be improved by measures such as allowing owners to determine the reserve price and ensuring that the valuation was fair. As the quality of some buildings built in the 1960s was highly unsatisfactory, there would be no solution except redevelopment.

46. Dr Stephen L CHAN said that if the application threshold for compulsory land sale was lowered, the costs for speculators would increase because they had to acquire 20% or above of the titles to prevent applications for compulsory land sale.

47. Mr Alan LEONG said that owners had a right to enjoy the use of their properties and not all of them were speculators. At the time when the relevant legislation was made, the 90% application threshold was adopted to strike a balance. As the Administration lacked conservation and planning policies and SDEV had indicated that it was impracticable for URA to tackle rapid urban decay by itself alone, he was worried that unlike URA which was a public body, private developers would try to maximize their profits. Lowering the application threshold would facilitate them and town planning in Hong Kong might worsen even further. Future developments would be even higher in density and would intensify the heat island effect and wall effect. As regards auctions conducted under compulsory land sale, the reserve price was submitted by the majority owner, not by minority owners. There was often only one bidder, who was the developer, during such auctions. As the applicant had held 90% or more of the undivided shares already, other parties would have little incentive to bid. He queried whether lowering the application threshold would amount to forcing owners to give up their private properties. Whether owners' private property rights should be infringed deserved consideration and how to protect the interests of owners was an issue. The Administration could consider changing the role of URA to facilitating owners to implement redevelopment projects so that they could benefit from the redevelopment value of their properties. Some owners might agree to sell their properties if the acquisition price was more favourable or if flat-for-flat compensation was offered.

48. SDEV responded that the Administration would continue to study the issues mentioned by Mr Alan LEONG and provide further information in future. Town planning was a separate policy issue that the Administration would handle.

49. Ms Cyd HO said that the Administration should increase the supply of public rental housing and amend the Landlord and Tenant (Consolidation) Ordinance (Cap. 7) to attend to the needs of tenants affected by compulsory land

sale. Protecting the rights of the last few owners who refused to sell their properties was important. Most deputations lacked confidence in the auctions conducted under compulsory land sale. The Administration should improve the mechanism first by measures such as providing professional or legal assistance to owners and enhancing the valuation process for determining the reserve price. The acquisition process, especially during the later stages, caused many nuisances to owners and even involved illegal acts.

50. SDEV responded that the reserve price and transaction price were on average 1.8 to 2.3 times and 2.55 times the existing use value of the properties respectively. The Lands Tribunal adopted stringent criteria in determining the reserve price and owners could submit their own valuation by engaging independent surveyors. She agreed that the suggestion of providing resources to owners for engaging independent surveyors could be explored.

51. Mr James TO said that although the reserve price and transaction price were on average 1.8 to 2.3 times and 2.55 times the existing use value of the property respectively, owners could still suffer a loss if the transaction price could not reflect the true market value of the property. The Administration should conduct further analysis on those compulsory land sale cases before putting forward its legislative proposal. Owners and developers were not on an equal footing and the existing mechanism could not ensure that the former could withstand the pressure arising compulsory land sale. It was developers, not owners, who triggered compulsory land sale. Although some developers might choose to buy high and sell high, others would make an application for compulsory land sale during a plunge in the property market. As owners might not have the capability of making an application under the existing mechanism, the mechanism should be enhanced and designed in such a way that even layman owners could redevelop their properties through the mechanism. The Administration should be prudent in drawing reference from overseas experience.

52. Prof Patrick LAU said that it was important to conduct a fair valuation of the properties, especially commercial ones, and maximize the sale proceeds of owners. Owner participation should be considered because voluntary redevelopment was better than compulsory redevelopment.

53. Mr Stephen YIP, Senior Vice President, The Hong Kong Institute of Surveyors, shared the view that voluntary redevelopment was better than compulsory redevelopment. The Hong Kong Institute of Surveyors and he strongly agreed that URA could change its role to facilitating redevelopment by owners. As regards reserve price, he said that applicants could not direct surveyors to conduct valuations to their advantage because there were guidelines governing how surveyors should carry out their work. Surveyors served as expert witnesses to assist the Lands Tribunal in arriving at a conclusion. The Lands Tribunal, with a qualified surveyor sitting as a panel member, would carefully consider the necessary reports submitted. He considered that few bidders participated in auctions conducted under compulsory land sale due to cash flow considerations.

As applicants had already acquired 90% or above of the undivided shares, they were not likely to have cash flow problems in acquiring the remaining undivided shares. Furthermore, they possessed good knowledge of the lots concerned and had a competitive edge over their competitors in bidding for those lots.

54. The Panel took a break for 10 minutes.

Session 2

55. The Chairman invited deputations to present their views.

Presentation by deputations

*Mr HO King-kuen*

56. Mr HO King-kuen said that in the past, many people liked to purchase at-grade shops for earning rental income to protect their post-retirement life. He was worried that owners would be forced to sell their properties after lowering the application threshold. Instead of relying on the valuation conducted by the developers' surveyors, the Administration should have measures to protect the interests of owners and assess the true value of their properties.

*Mr Danny CHAN*

*(LC Paper No. CB(1)2225/08-09(17))*

57. Mr Danny CHAN delivered his presentation, the details of which were given in the relevant submission. He added that although he intended to move to another flat in the same district, the prices offered by real estate agencies for his old flat were low and insufficient for him to move to another flat. The price offered by the developer concerned was sufficient for him to do so. However, the owner of an at-grade shop asked for \$100 million. In the end, he had to continue living in his old flat.

*Kwun Tong District Council*

58. Mr CHAN Wah-yu, Member, Kwun Tong District Council, said that the Kwun Tong District Council in principle supported lowering the application threshold. In doing so, the Administration should not compete with the public for profits. It should assist tenants who were forced to move out by landlords as far as possible. The Administration should consider providing incentives, such as relaxation of height restriction and plot ratio or transfer of plot ratio, to encourage coherent redevelopment of a larger area because the effects of redeveloping isolated sites would be unsatisfactory. The Administration should also consider providing technical assistance to owners whose buildings would soon deteriorate again even after carrying out rehabilitation works repeatedly.

*Mr Trackie LAM*



(LC Paper No. CB(1)2225/08-09(18))

59. Mr Trackie LAM delivered his presentation, the details of which were given in the relevant submission. He added that developers would like to create a multiple-win situation for society, owners and developers in developing and improving the community.

*Mr LEUNG Yuk-ming*

(LC Paper No. CB(1)2225/08-09(19))

60. Mr LEUNG Yuk-ming delivered his presentation, the details of which were given in the relevant submission. He added that many owners of old buildings wanted to sell their properties and improve their living environment. The reserve price was on average 1.8 to 2.3 times the existing use value of the properties. An acquisition price up to 2.8 times the existing use value had been offered for his property. Although the majority of the owners agreed to sell their properties, some owners asked for an acquisition price of \$6 million, i.e. 7 times the existing use value of the property. He urged all parties to consider whether it was fair to the majority of the owners if their wish could not materialize because of the greed of a few owners. A majority of 80% or 90% of the owners was a high proportion and he hoped that the wish of those owners could be respected. Instead of objecting to the Administration's proposal, Members should monitor the execution process of the relevant legislation to ensure that it was implemented in a fair and just manner.

*Miss AU Hiu-may*

(LC Paper No. CB(1)2225/08-09(20))

61. Miss AU Hiu-may delivered her presentation, the details of which were given in the relevant submission. She added that as there was only one narrow staircase in her building, many elderly residents who were wheelchair users had not left their residences for years. She supported lowering the application threshold to 80% so that residents could have a better living place as soon as possible.

*Mr POON Wai-keung*

(LC Paper No. CB(1)2225/08-09(21))

62. Mr POON Wai-keung delivered his presentation, the details of which were given in the relevant submission. He added that lowering the application threshold to 80% was a very practicable method for improving the living conditions in old districts.

*Mr Elwyn CHAN*

(LC Paper No. CB(1)2225/08-09(22))

63. Mr Elwyn CHAN delivered his presentation, the details of which were given in the relevant submission. He added that the Administration's proposal was worth supporting because it could expedite urban renewal and facilitate owners of old buildings in changing their flats.

*Miss YIP Mee-yung (represented by Ms CHIK Yuk-chun)*

64. The Chairman said that in representing Miss YIP Mee-yung, Ms CHIK Yuk-chun might only read out Miss YIP Mee-yung's views. She might not participate in the discussion.

65. Ms CHIK Yuk-chun delivered Miss YIP Mee-yung's views. She said that new developments in old districts were very tall and high density developments, affecting air circulation and health. Residents were deprived of public space by developers and the Government. They should not be forced to move out of their homes. The Town Planning Board should ensure that planned developments would provide a good living environment. Citizens worked hard to purchase compact cubicle-like flats while developers reaped the profits. All parties should awaken. The relevant legislation was introduced because the owners of some properties were missing or untraceable, but the Administration had many other methods to resume those properties. The 90% application threshold had already led to catastrophes and caused citizens a lot of hardship. The Administration should terminate the mechanism. When the presentation time was up, the Chairman requested her to stop but she refused and continued with the presentation. The Chairman then ordered her to leave the meeting under escort.

*Mrs KAM FOK Lai-ching*

66. Mrs KAM FOK Lai-ching said that she objected to lowering the application threshold because there were unfair, unclear and deficient aspects in the existing legislation. A fair trial was necessary for compulsory land sale. However, the developer was only required to submit a valuation report based on the existing use value, specify that it had acquired 90% or above of the titles and publish an announcement in the newspapers when making an application, which would only cost several tens of thousands of dollars. If minority owners wanted to raise objection, they had to submit a valuation report based on the land development value and reports on building age and building maintenance. This would cost about \$1 million, which included the costs for engaging professionals to prepare the three reports, vet the developer's valuation report and give evidence at the Lands Tribunal. Developers could trigger the mechanism easily but this was not the case for minority owners. The relevant legislation should require the developer concerned to prepare the three reports as well in making an application. Without legal aids from the Legal Aids Department, minority owners would have little chance of taking their case to court by way of civil proceedings because the costs required were too high. This was unfair to minority owners. It would be dangerous to lower the application threshold before improving the existing legislation.

*Mr YUEN Chi-yan*

*(LC Paper No. CB(1)2315/08-09(04), tabled and soft copy issued on 17 July 2009 by email)*

67. Mr YUEN Chi-yan delivered his presentation, the details of which were given in the relevant submission.

*Mr NG Yin-keung*

*(LC Paper No. CB(1)2225/08-09(23); and LC Paper No. CB(1)2321/08-09(03), soft copy of PowerPoint presentation materials issued on 17 July 2009 by email)*

68. Mr NG Yin-keung delivered his presentation, the details of which were given in the relevant submissions and PowerPoint presentation materials.

*Joint-Conference on the Development of Kwun Tong*

*(LC Paper No. CB(1)2280/08-09(03))*

69. Ms LEUNG Fu-wing, Committee Member, Joint-Conference on the Development of Kwun Tong, delivered her presentation, the details of which were given in the relevant submission.

*Hong Kong Kwun Tong Industries & Commerce Association*

*(LC Paper No. CB(1)2280/08-09(04))*

70. Mr WAI Tze-pong, Executive Director, Hong Kong Kwun Tong Industries & Commerce Association, delivered his presentation, the details of which were given in the relevant submission.

*Ms LEUNG Kim-man*

71. Ms LEUNG Kim-man said that although she agreed that rehabilitation and redevelopment were options for urban renewal, repeated rehabilitation of the building in which she lived was just a waste of resources. The building had many environmental problems, such as the presence of unauthorized building works. If the acquisition prices offered by the developer concerned were unreasonable, there would not be so many owners who had arrived at a consensus and agreed to sell their properties. She supported the Administration's proposal to lower the application threshold.

*Mr CHAN Wing-cheong*

72. Mr CHAN Wing-cheong said that he was the owner of a property in Shek Tong Tsui. The building in which he lived was aged nearly 50 years. A developer had been trying to purchase the properties in the building for nearly four years but failed to acquire 90% of the titles. His understanding was that those owners who refused to sell their properties were asking for a very high acquisition price. He supported lowering the application threshold to 80% so that the wish of the 80% of owners who were willing to sell their properties could materialize.

*Miss CHAN Yuen-ling*

73. Miss CHAN Yuen-ling said that she would not make any presentation.

*Mr CHAN Tin-sing*

74. Mr CHAN Tin-sing said that he supported lowering the application threshold to 80%. He was living in a property in Western District and a developer had offered an acquisition price of about \$3 million for a flat with a saleable area of 400 square feet. He urged all parties to consider whether the amount was acceptable and sufficient for purchasing a flat of the same size in the same district; and whether there would be a remaining sum that could be used for other investment purposes after making the said purchase.

Response by the Administration

75. The Deputy Secretary for Development (Planning and Lands) 2 said that from the judgments of the Lands Tribunal, it could be seen that the Lands Tribunal would require the majority owner to submit the necessary reports when making an application. These included a report on the valuation of the property conducted within three months before making the application, a valuation report of the redevelopment value of the lot and a report on the repair status. Through detailed and careful consideration of these reports the Lands Tribunal would determine whether redevelopment of the lot was justified on the ground of state of repair or age of the buildings concerned. Moreover, the majority owner had also had to provide evidence to convince the Lands Tribunal that reasonable steps had been taken to try to acquire the undivided shares involved. The compulsory land sale mechanism under the LCSRO could not be triggered lightly.

76. SDEV said that the proposal regarding old industrial buildings in non-industrial zones was made in view of the fact that many such buildings were under-utilized or used inefficiently. Although the Town Planning Board had been amending the zonings of the relevant sites through the town planning process, new developments with planning gains were limited. The crux of the problem was dispersed ownership. Setting the age criteria at 30 years for industrial buildings was to allow a meaningful number of industrial buildings to be included. The Administration would adopt a two-pronged approach in regenerating old industrial

buildings. In addition to measures to facilitate redevelopment (i.e the current proposals under the LCSRO), the Administration would look into ways and means to encourage rehabilitation of industrial buildings as well. Even if the legislative proposal could be introduced after the summer recess of the Legislative Council, the legislative process might not be completed before the end of 2009. The Administration would then be in a position to report further on how to facilitate conversion of industrial buildings for other uses, such as the creative industries. In view of the controversy of the subject matter, the Administration had put up a very prudent, or even conservative, proposal. The proposal only involved triggering an existing mechanism to lower the application threshold to 80% for specified classes of lots. Handling of other issues such as changing the basis for calculating the percentage of undivided shares might require amending the principal ordinance, which was not the objective of and could not be handled under the current proposal. The Administration considered it opportune to introduce the legislative proposal for vetting by the Legislative Council in the coming legislative session. Meanwhile, the Administration would continue with its work to allay Members' concerns by providing further information and exploring ways to enhance protection of the interests of minority owners through administrative means.

### Discussion

77. Mr CHAN Kam-lam said that he welcomed the Administration's decision to introduce the legislative proposal. He had heard some owners' voices that as their properties were too dilapidated to rehabilitate, they were satisfied with the sale proceeds from compulsory land sale. Some owners did not even have the financial resources to rehabilitate their properties. Old buildings without lifts caused inconvenience to elderly residents. Lowering the application threshold would facilitate owners to improve their living conditions. He invited views on the Administration's proposal to revitalize industrial buildings. He considered that there was no way out for old industrial buildings if they could not be converted for commercial use. As owners had to bear high alteration costs and waiver fees required for change of use of old industrial buildings, the Administration could consider dispensing with the necessary waiver fees. Mr WAI Tze-pong, Executive Director, Hong Kong Kwun Tong Industries & Commerce Association, said that the Administration should be more lenient in approving change of use of old industrial buildings. SDEV noted their views.

78. Mr Abraham SHEK said that owners should have the chance of choosing a new living environment through compulsory land sale, such as purchasing another flat. He invited views from deputations in relation to their living environment and the acquisition prices. He considered that developers and owners could communicate more to find a solution to expedite urban renewal for the overall interests of society and to achieve a harmonious society.

79. Ms LEUNG Kim-man said that many buildings in the district in which she lived were very old, not to mention inadequacies in building services such as fire services. Without redevelopment, there would be no improvement to the living

environment. Some shop owners and residential flat owners asked for unreasonably high acquisition prices. Such unreasonable requests affected other owners. If owners could not sell their old properties, they would have to continue to live there. Her view was that the acquisition price should be sufficient to cover the cost of purchasing another flat, but the flat need not be a new one. She considered moving from a 50-year old flat to a 20-year old or 30-year old flat acceptable because the living environment would be improved.

80. Mr Trackie LAM said that his company could not implement a certain redevelopment project at present because there was still one owner who refused to sell his property. The acquisition process could take several years and the acquisition offers made were higher than the market price. Private redevelopment projects provided a win-win solution that could improve the environment. He urged the Administration to introduce the legislative proposal as soon as possible. Otherwise, the responsibility of urban renewal would fall entirely on the Government.

81. Mrs KAM FOK Lai-ching said that although the Lands Tribunal would also require the developer concerned to submit the necessary reports, she heard that in a certain case, the owners had to spend nearly \$1 million for raising their objection. The Lands Tribunal would serve as the gatekeeper, but the existing legislation was unfair because developers and owners possessed unequal financial resources. She expressed doubt on whether it was the appropriate time to lower the application threshold. The crux was whether the compulsory land sale mechanism could protect the rights of the disadvantaged groups.

82. The Chairman said that Members and the Administration would carefully consider the views expressed by deputations.

## **II Any other business**

83. There being no other business, the meeting ended at 5:55 pm.