

**For discussion
on 22 May 2012**

**LEGISLATIVE COUNCIL
PANEL ON DEVELOPMENT**

**PWP Item No. 752CL – Planning and engineering study for
housing sites in Yuen Long south – consultants’ fees and site investigation**

PURPOSE

This paper briefs Members on –

- (a) the proposal to upgrade **752CL** (entitled Planning and engineering study for housing sites in Yuen Long south – consultants’ fees and site investigation (the Study)) to Category A at an estimated cost of \$49.5 million in money-of-the-day prices (MOD) to carry out a planning and engineering study and the associated site investigation works for housing sites in Yuen Long south (YLS); and
- (b) the key issues that will be addressed in the planning and engineering study.

PROJECT SCOPE AND NATURE

2. The scope of **752CL**, which we propose to upgrade to Category A, comprises –

- (a) detailed planning and engineering study for housing sites in YLS, including preparation of the Preliminary Outline Development Plan, the Recommended Outline Development Plan, the Recommended Layout Plans and the preliminary design of the associated engineering infrastructure works, confirmation of feasibility of development proposals for the housing sites, and formulation of implementation strategies;
- (b) environmental impact assessment (EIA) on the development proposals for the housing sites and associated engineering infrastructure;

- (c) community engagement exercises in relation to the formulation of development proposals for the housing sites; and
- (d) associated site investigation including supervision.

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A location plan showing the study area¹ and the proposed Potential Development Areas (PDAs)² for housing sites in YLS is at **Enclosure 1**. The PDAs are areas within which potential housing sites will be identified in the Study for public and private housing developments.

3. Subject to the approval of Finance Committee, we plan to commence the Study by December 2012 for completion by June 2015. The Study will formulate sustainable and feasible development proposals for housing sites in YLS and proposals for the associated engineering infrastructure. Planning and technical assessments on the land use, environmental, cultural heritage, traffic, infrastructure engineering, air ventilation, landscape and urban design aspects, etc of the recommended proposals will be thoroughly carried out in the study process.

BACKGROUND AND JUSTIFICATION

4. At present, YLS, comprising the rural land south of Yuen Long Highway, is generally characterised by haphazard low-density housing, informal industrial activities and open storage. Being located in proximity to Yuen Long, Tuen Mun and Tin Shui Wai new towns, and the proposed new development area in Hung Shui Kiu, as well as connected with the urban areas by strategic road links including Route 3 and Yuen Long Highway, the area has the potential to accommodate more housing developments with higher development intensity. Housing development with higher density in the area is, however, constrained by inadequate supporting infrastructure, including roads, drainage, sewerage, water supply and utilities.

5. The 2011-12 Policy Address announced that the Administration would explore the possibility of converting into housing land some 150 hectares of agricultural land in North District³ and Yuen Long currently used mainly for

¹ The total area of the study area is about 1 500 hectares (ha), which covers a wider area than the Potential Development Areas (PDAs) to ensure the integrity and accuracy of the technical assessments.

² The total area of the PDAs as shown in Enclosure 1 is about 200 ha. The location and extent of the PDAs are tentative and subject to adjustment during the course of the Study.

³ The studies for housing sites in the North District (i.e. the planning and engineering studies for Kwu Tung South and Sheung Shui Area 30 and the engineering feasibility study for Kong Nga Po) will be funded by block allocation items.

industrial purposes or temporary storage, or even deserted. We propose to carry out the Study to review the development potential of the area in YLS, mainly the PDAs shown on **Enclosure 1**, with a view to identifying housing sites in the PDAs for private and public housing purposes with infrastructure improvement works. Taking into account the long lead time required for implementation of the development proposals for the housing sites and associated engineering infrastructure⁴, an early start of the Study is necessary.

6. Owing to insufficient in-house resources, we propose to engage consultants to carry out the Study and to supervise the associated site investigation works. The Study will be jointly commissioned by the Civil Engineering and Development Department and the Planning Department.

FINANCIAL IMPLICATIONS

7. We estimate the capital costs of **752CL** to be \$49.5 million in MOD prices, made up as follows –

		\$ million
(a) Consultants' fees for		26.5
(i) planning and engineering study	19.8	
(ii) EIA	5.0	
(iii) supervision of site investigation works	1.7	
(b) Site investigation works		10.0
(c) Miscellaneous expenses for community engagement exercises		1.7
(d) Contingencies		3.8
	Sub-total	42.0 (in September 2011 prices)
(e) Provision for price adjustment		7.5
	Total	49.5 (in MOD prices)

⁴ The lead time includes the time for the Study, statutory procedures, consultation, design and construction of engineering infrastructure and necessary community facilities, etc.

KEY ISSUES AND STUDY APPROACH

8. We have identified some key issues relating to the planning, design and implementation of housing sites in YLS, which will be addressed in the course of the Study. They are set out as follows:

Housing

- (a) The Study will examine the potential sites for public and private housing in YLS. Timely provision of supporting infrastructure and government, institution and community (GIC) facilities would be important to serve the future population and the Study will look into the development programme of the required facilities.

Infrastructural Constraints

- (b) In view of the expected increase in population, infrastructure facilities, including roads, drainage, sewerage, water supplies, and public utilities, etc, will need to be provided or upgraded. The Study will investigate and recommend the proposed engineering infrastructure works to support the future population of YLS.

Geotechnical Concern

- (c) Large portions of the PDAs fall within the Scheduled Area No. 2 (North-western New Territories)⁵, in which housing developments and infrastructure may be affected by large cavities in the marble bedrock. The Study will assess the engineering feasibility of the proposed developments and engineering infrastructure in the Scheduled Area.

Open Storage, Warehouses and Rural Workshops

- (d) These uses currently occupy much of the land in the PDAs. They would impose industrial/residential (I/R) interface problems. The Study will review if there is a need to retain any land for these uses in YLS, propose remedial measures to address the I/R interface issues, and assess the socio-economic impact if these uses are to be phased out.

⁵ Scheduled Area No.2 (North-western New Territories) is defined in the Fifth Schedule of the Buildings Ordinance. The geology in some areas of this Scheduled Area comprises marble, which usually has a karstic upper surface with solution features. The marble may have large cavities in some locations. The boundary of the Scheduled Area No. 2 in relation to the study area is shown in Enclosure 1.

Sustainable Development

- (e) To meet the public aspiration for sustainable development, the Study will explore measures to promote low carbon emission and resources saving development, high-quality urban design, greening, and at-source environmental mitigation measures, etc.

Implementation

- (f) Majority of the land in the PDAs is under private ownership and the implementation mechanism of the development proposals will be a key issue to be addressed. The Study will examine and recommend a suitable implementation approach for YLS, taking account of the ownership pattern and public comments received during the community engagement exercises of the Study.

COMMUNITY ENGAGEMENT

9. Community engagement will be undertaken as an integral part of the Study. We will engage the Legislative Council, Yuen Long District Council, relevant Rural Committees, local communities, environmental groups and other stakeholders during various stages of the Study.

10. A three-stage community engagement approach is proposed:

- (a) Stage 1 - to gauge public views on the vision and key issues of the Study. The Consultants will review the public comments received for preparing development options and the Preliminary Outline Development Plan (PODP).
- (b) Stage 2 - to engage the public in discussing the PODP. The results of the Stage 2 community engagement would form a basis to formulate the draft Recommended Outline Development Plan (RODP) and the preliminary Layout Plans.
- (c) Stage 3 - to gather comments from the public on the draft RODP and the preliminary Layout Plans with a view to collecting inputs for finalising the RODP and the Recommended Layout Plans.

PUBLIC CONSULTATION

11. We consulted the Ping Shan Rural Committee and the Shap Pat Heung Rural Committee (SPHRC) on 7 March 2012 and 9 March 2012 respectively. The Committees raised no objection to our proposal to conduct the Study. The SPHRC requested that some abandoned agricultural land within the study area of the Study should also be considered for housing developments in the Study.

12. We consulted the Town Planning and Development Committee of the Yuen Long District Council on 14 March 2012. The Committee was generally in support of the Study. Some Members reiterated the SPHRC's request as mentioned in paragraph 11 above. We advised that the consultants would take into account their comments and other public comments received in carrying out the Study, including reviewing the potential of other land within the study area as proposed by them for housing developments.

ENVIRONMENTAL IMPLICATIONS

13. The Study is a designated project under Schedule 3 of the EIA Ordinance (Cap. 499) (i.e. major designated projects requiring environmental impact assessment reports). For the implementation of individual projects which are Schedule 2 designated projects, such as new roads, major improvements to existing roads and sewage pumping stations, etc, these projects will require Environmental Permits prior to construction and operation. We will conduct an EIA under the Study for the proposed developments and associated engineering infrastructure to meet the requirements under the EIA Ordinance. We have included \$5 million (in September 2011 prices) in the cost estimate for conducting the EIA.

14. The Study will generate very little construction waste. We will require the consultants to fully consider measures to minimise the generation of construction waste and to reuse/recycle construction waste as much as possible in the future implementation of the construction projects.

HERITAGE IMPLICATIONS

15. The Study will not affect any heritage site, i.e. all declared monuments, proposed monuments, graded historic sites/buildings, sites of archaeological interest and Government historic sites identified by the Antiquities and Monuments Office.

LAND ACQUISITION

16. The Study will not require any land acquisition. The Study will examine the implementation mechanism of the development proposals for the housing sites in YLS and the extent of land acquisition required for implementation of the development proposals and the associated engineering infrastructure.

BACKGROUND INFORMATION

17. We included **752CL** in Category B in September 2011.

18. The Study will not involve any tree removal or planting proposals. We will require the consultants to take into account the need for tree preservation during the planning and design stages of construction projects that are proposed under the Study. We will also incorporate tree planting proposals, where possible, in the construction phase in the future.

19. We estimate that the Study will create about 27 jobs (6 for labourers and another 21 for professional/technical staff) providing a total employment of 625 man-months.

WAY FORWARD

20. We plan to seek the Public Works Subcommittee's endorsement and Finance Committee's approval for the upgrading of **752CL** to Category A in June 2012 and July 2012 respectively.

21. Members are invited to provide views on the key issues relating to the planning of housing sites in YLS, and the study scope and approach as set out above. Members' views will be taken into account in taking the Study forward.

ATTACHMENT

Enclosure 1 - Planning and engineering study for housing sites in Yuen Long south - Potential Development Areas Location Plan

Development Bureau
May 2012