Panel on Development

Minutes of meeting
held on Monday, 7 January 2013, at 8:30 am
in Conference Room 2 of the Legislative Council Complex

Members present : Hon Tony TSE Wai-chuen (Deputy Chairman)
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon Cyd HO Sau-lan
Hon CHAN Kin-por, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Albert CHAN Wai-yip
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon James TIEN Pei-chun, GBS, JP
Hon WU Chi-wai, MH
Hon Gary FAN Kwok-wai
Hon CHAN Chi-chuen
Dr Hon Kenneth CHAN Ka-lok
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, JP
Dr Hon KWOK Ka-ki
Dr Hon Fernando CHEUNG Chiu-hung
Members attending : Hon WONG Kwok-hing, MH
Hon WONG Kwok-kin, BBS

Members absent : Dr Hon LAU Wong-fat, GBM, GBS, JP (Chairman)
Hon Emily LAU Wai-hing, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon CHAN Hak-kan, JP
Hon IP Kwok-him, GBS, JP
Hon CHAN Han-pan

Public officers attending : Agenda item IV
Mr Raymond LEE Kai-wing
Head of Energizing Kowloon East Office
Development Bureau

Ms Winnie HO Wing-yin
Deputy Head of Energizing Kowloon East Office
Development Bureau

Mrs Sorais LEE KWAN Siu-kuen
Head (Kai Tak Office)
Civil Engineering and Development Department

Agenda item V
Mr Thomas CHAN Chung-ching, JP
Deputy Secretary for Development
(Planning and Lands) 1

Mr Norman HEUNG Yuk-sai, JP
Project Manager (Kowloon)
Civil Engineering and Development Department
Mr Janson WONG Chi-sing  
Chief Engineer / Kowloon 2  
Civil Engineering and Development Department

Mr Wilson CHAN Wai-shun  
District Planning Officer/ Tsuen Wan and West Kowloon  
Planning Department

Mr Philip CHUM Yan-leung  
Senior Town Planning/Sham Shui Po  
Planning Department

Agenda item VI

Mr Rex CHANG Wai-yuen, JP  
Deputy Secretary for Development  
(Planning and Lands) 2

Mr Ryan CHIU Pit-ming  
Principal Assistant Secretary (Planning and Lands) 3  
Development Bureau

Mr HUI Siu-wai, JP  
Deputy Director of Buildings

Mr Alex CHOW Kim-ping  
Assistant Director / Corporate Services  
Buildings Department

Mr Robinson CHUNG Kam-yin  
Chief Professional Officer / Minor Works & Signboard Control  
Buildings Department

Agenda item VII

Mr Paul CHAN Mo-po, MH, JP  
Secretary for Development

Mr Thomas CHOW Tat-ming, JP  
Permanent Secretary for Development  
(Planning and Lands)
Mr Rex CHANG Wai-yuen, JP
Deputy Secretary for Development
(Planning and Lands) 2

Mr Ryan CHIU Pit-ming
Principal Assistant Secretary (Planning and Lands) 3
Development Bureau

Mr AU Choi-kai, JP
Director of Buildings

Mr HUI Siu-wai, JP
Deputy Director of Buildings

**Clerk in attendance**: Ms Sharon CHUNG
Chief Council Secretary (1)6

**Staff in attendance**: Mr Anthony CHU
Senior Council Secretary (1)6

Mr Fred PANG
Council Secretary (1)6

Ms Christina SHIU
Legislative Assistant (1)6

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I **Confirmation of minutes**
(LC Paper No. CB(1)288/12-13 -- Minutes of meeting on 30 October 2012)

The minutes of the meeting held on 30 October 2012 were confirmed.
II Information papers issued since the last meeting

(LC Paper No. CB(1)261/12-13(01) -- Administration's paper on progress report on the HKSAR's work in support of reconstruction in the Sichuan earthquake stricken areas

LC Paper Nos. CB(1)335/12-13(01) and (02) -- Submissions on North East New Territories New Development Areas Planning and Engineering Study from members of the public)

2. Members noted that the above information papers had been issued since the last meeting.

III Items for discussion at the next meeting

(LC Paper No. CB(1)287/12-13(01) -- List of outstanding items for discussion

LC Paper No. CB(1)287/12-13(02) -- List of follow-up actions)

3. Members agreed that the next regular meeting scheduled for Tuesday, 22 January 2013, at 2:30 pm would be extended to end at 6:00 pm to discuss the following items proposed by the Administration --

(a) Briefing by the Secretary for Development ("SDEV") on the relevant policy initiatives in the Chief Executive's 2013 Policy Address;

(b) PWP Item No. 469CL -- Kai Tak Development – infrastructure at north apron area of Kai Tak Airport;

(c) PWP Item No. 7414RO -- Improvement works at Mui Wo; and

(d) Planning and Engineering Study on Future Land Use at the Ex-Lamma Quarry Area at Sok Kwu Wan, Lamma Island -- Feasibility Study: Stage 1 Community Engagement

(Post-meeting note: At the request of the Administration, and with the concurrence of the Chairman, item (b) above has been replaced by "Progress update on Kai Tak Development and PWP Item No.
469CL -- Kai Tak Development -- Infrastructure at north apron area of Kai Tak Airport, item (c) has been replaced by "PWP Item No. 45CG -- District Cooling System at Kai Tak Development", a new item "PWP Item No. 333WF -- Improvement of fresh water supply to Cheung Chau" has been added to the agenda, and the meeting has been extended to end at 6:30 pm. Members were informed of the above arrangements vide LC Paper Nos. CB(1)393/12-13 and CB(1)405/12-13 issued on 9 and 11 January 2013 respectively.)

IV Progress report of Energizing Kowloon East Office and its continuing operation
(LC Paper No. CB(1)287/12-13(03) -- Administration's paper on progress report of Energizing Kowloon East Office and its continuing operation
LC Paper No. CB(1)287/12-13(04) -- Paper on Energizing Kowloon East prepared by the Legislative Council Secretariat (Updated background brief)
LC Paper No. CB(1)339/12-13(01) -- Submission from Hong Kong Culture Monitor dated 15 December 2012)

4. With the aid of a powerpoint presentation, Head of Energizing Kowloon East Office, Development Bureau ("Head/EKEO/DEVB") briefed members on the progress made under the policy initiative of Energizing Kowloon East ("EKE") to expedite the transformation of Kowloon East, including the Kai Tak Development ("KTD") Kowloon Bay and Kwun Tong, into an alternative Central Business District ("CBD") of Hong Kong, as well as a staffing proposal to extend two supernumerary directorate posts (one Principal Government Town Planner and one Government Architect) at the Energizing Kowloon East Office ("EKEO") for four years up to 30 June 2017 to continue to provide dedicated professional support in taking forward the initiative. Head/EKEO/DEVB advised that subject to members' support, the Administration would proceed to seek the recommendation of the Establishment Subcommittee ("ESC") and approval of the Finance Committee for the proposal.
Action

*(Post-meeting note: A soft copy of the powerpoint presentation materials (LC Paper No. CB(1)383/12-13(01)) was circulated to members by email on 7 January 2013.)*

**Progress made in transforming Kowloon East into an alternative Central Business District**

5. Mr CHAN Kam-lam supported the proposed longer-term set-up of EKEO to oversee the transformation of Kowloon East into an alternative CBD. Noting that since its establishment in June 2012, EKEO had completed some projects to enhance the street vibrancy in Kwun Tong, including converting a vacant lot underneath Kwun Tong Bypass into an informal arts and culture venue and organizing a weekly carnival at Tsun Yip Street Playground, he opined that its achievements were limited. Mr CHAN considered that the Administration had all along been indecisive in its action despite the fact that the related policies were already in place to support the EKE initiative. For instance, the Administration should formulate a timetable for implementing the Environmentally Friendly Linkage System ("EFLS") instead of conducting numerous studies and public engagement activities. Referring to paragraph 14 of the discussion paper which stated that EKEO had formed various working groups and task forces with other departments to resolve issues at a higher level, he enquired what the issues were about. Echoing Mr CHAN Kam-lam's view, Dr CHIANG Lai-wan suggested that the Administration should keep the public informed of the timetable for the implementation of major action items under the EKE initiative and might consider grouping them into packages with target completion dates, so as to facilitate members of the public to understand the progress made.

6. In reply, Head/EKEO/DEVB said that the Administration took note of members' suggestions and would consider the best way to keep the public informed of the progress made under the EKE initiative. He advised that while KTD was a new development area that enabled the Administration to take an active role in putting plans into action, Kwun Tong and Kowloon Bay were developed areas with more than 300 privately owned buildings, of which the redevelopment required private initiatives and cooperation. Although Kowloon East had the potential for providing an additional office floor area of 4 million square metres, it was difficult for the Administration to ascertain the amount of new office space that could be made available at a given time. Head/EKEO/DEVB assured members that EKEO would continue to provide one-stop co-ordination and advisory service to land development proposals of private sectors and explore incentives for
redevelopment and conversion proposals to facilitate the transformation of the old industrial areas. Other than playing a facilitating role, EKEO would also apply the "place-making" approach to create quality public spaces for public enjoyment and build a pedestrian-friendly environment in Kowloon East. Regarding the issues that had been resolved by the task forces formed by EKEO, he cited the quick improvement of 21 existing signalized traffic junctions in Kowloon Bay and Kwun Tong as an example.

7. **Ir Dr LO Wai-kwok** supported the continuing operation of EKEO and expressed appreciation for its efforts in organizing various briefings and seminars in just a few months' time since its establishment to engage the public as well as professional bodies, including the Hong Kong Institution of Engineers, to draw on their ideas and insights. He further said that the EKEO Temporary Office beneath the Kwun Tong Bypass was itself a demonstration model for the design and construction of an environmental-friendly building. **Ir Dr LO** opined that the EKE initiative would not only revitalize the old areas in Kowloon East, but also bring economic benefits to the territory as a whole. Noting that the Administration had consolidated public views on the first Conceptual Master Plan for EKE issued in October 2011 to formulate the second Conceptual Master Plan, he considered it important for the Administration to put plans into actions.

**Impact on existing occupants of industrial buildings**

8. **Dr Fernando CHEUNG** opined that the transformation of old industrial areas in Kowloon East into a business district under the EKE initiative was primarily a process to support the hegemony of developers. He said that the existing occupants of the industrial building units in Kowloon East were largely small- and medium-sized establishments engaged in manufacturing, import/export trades as well as creative and cultural work. He was concerned that they would be forced to move out because of the rising rents caused by the transformation. Noting that about 90% of the individuals/groups engaged in arts and cultural work in Kowloon East were housed in industrial buildings, **Dr CHEUNG** asked the Administration to provide information about the floor area of the industrial buildings currently occupied by them and whether the Administration would offer assistance including reserving spaces in other parts of Kowloon East for them to continue their existing operation.

*(Post-meeting note: The Administration's response was circulated to members on 29 January 2013 vide LC Paper No.*
9. **Head/EKEO/DEVB** advised that the transformation of the industrial areas in Kowloon East would not be achieved overnight. For a long period of time, different types of buildings for various uses would co-exist in Kowloon East in the transformation process. He considered that there would be opportunities for existing occupants engaged in different operations to remain in Kowloon East. One of the guiding principles of the EKE initiative was to promote diversity. EKEO would strive to identify suitable spaces to accommodate arts and cultural groups so that they might continue their operation in Kowloon East.

10. **The Panel** noted that according to the Survey on Business Establishments in Kowloon East conducted by the Planning Department in 2011, there were more than 500 establishments operating cultural and creative workshops in the district. Ms Claudia MO was concerned about the possible livelihood problems that these establishments, including art, music and film studios, would face as a result of the surging rents of the building units housing them. She cast doubt on whether the individuals/groups operating the studios could find new accommodations before they were evicted by building owners. Mr Wu Chi-wai criticized that, with a focus on commercial development, the implementation of the EKE initiative would expedite the selling of the industrial buildings by their owners, hence forcing more arts and cultural establishments to move out.

11. While admitting that the transformation of Kowloon East would inevitably affect certain individuals/groups in the area, **Head/EKEO/DEVB** remarked that the transformation had in fact started about a decade ago when the market took the initiatives to redevelop industrial buildings in the district into office buildings with retail facilities. He undertook that the Administration would continue to communicate with those affected by the transformation, to understand their needs and consider ways to assist them. He reiterated that EKEO would promote diversity in the transformation process according to the planning strategy of "CBD2" (connectivity, branding, design and diversity) for Kowloon East and assured members that a wide spectrum of activities would be able to take place in the district.

12. Anticipating that an ongoing commercial development in Kowloon East would lead to continuous shrinkage of space for other land uses, **Ir Dr Lo Wai-kwok** was concerned whether the Administration could achieve the goal of diversity of land uses. He urged the Administration to
provide the details about the different land uses in the district to the Panel when they were available at a later stage.

13. Mr Alan LEONG pointed out that the arts and cultural establishments operating in the industrial areas of Kowloon East had established a strong interface with their clients over time. He requested that, to ensure that this interface would not be damaged by the commercial developments in Kowloon East, the Administration must, through the extended period of the operation of EKEO if funds were granted, identify and approach each of these establishments to assess the impact of the transformation on them, understand their concerns and assist them in continuing their operation in Kowloon East.

14. In reply, Head/EKEO/DEVB advised that EKEO had attached great importance to the task of continuously engaging various stakeholders including individuals/groups undertaking arts and cultural work in the planning of Kowloon East. In establishing communications with these individuals/groups, EKEO would attend to their needs and strive to address their concerns. In response to Dr KWOK Ka-ki's enquiry on whether EKEO had been in touch with arts establishments in Kowloon East, Head/EKEO/DEVB advised that the Office had organized a workshop on place-making for arts and culture along Kwun Tong Waterfront in July 2012 and about 70 participants from these establishments had joined the event.

15. Mr James TIEN declared that he was an owner of a building in Kowloon Bay. Making reference to the experience of his personal visits to the industrial areas in Kowloon East, he said that the number of establishments actually engaged in import/export trade in these areas might not be as many as that reported in the Planning Department's survey in 2011. According to his observation, a large portion of the floor areas in the units occupied by trade establishments had been converted to storage space. As regards the units leased to arts practitioners for use as studios, some of them had been partially turned into domestic use. To address the problem of surging rent faced by arts practitioners in Kowloon East, Mr TIEN suggested that the Administration should consider purchasing some old industrial buildings in the district for sale by auction. With the considerable profits to be generated from the sale of some of the purchased buildings, the Administration could keep the other buildings in its ownership and lease the units to arts practitioners at a concessionary rental. In response, Head/EKEO/DEVB advised that the Administration did not have any plans to purchase the buildings in Kowloon East at this juncture, but would
explore opportunities to provide suitable spaces for art and cultural groups in the district.

Place-making events

16. The Panel noted that according to paragraph 9 of the discussion paper, one of the tasks to be carried out by EKEO was to organize place-making events in Kowloon East and the first one of such events, called "Youth Band Marathon", was originally scheduled for 20 January 2013, to be held in an informal venue underneath Kwun Tong Bypass. Referring to the media reports that some local bands had boycotted the event, resulting in the venue being changed to the Hong Kong Cultural Centre Piazza and a postponement, Mr CHAN Chi-chuen, Ms Cyd HO and Dr KWOK Ka-ki showed concerns about the incident.

17. Head/EKEO/DEVB advised that "Youth Band Marathon" had been presented by the Leisure and Cultural Services Department ("LCSD") annually at the Hong Kong Cultural Centre Piazza in the past six years. LCSD had originally planned to hold the event in the venue underneath Kwun Tong Bypass, namely "Fly the Flyover Operation 1", this year. However, after taking the advice given by the event collaborators in the previous week, LCSD had decided to change the venue to the Hong Kong Cultural Centre Piazza, hence rescheduling the event. Head/EKEO/DEVB said that "Fly the Flyover Operation 1" would be ready for public use from 20 January 2013 and EKEO would continue to liaise with interested parties to stage arts/cultural events in the venue. Mr CHAN Chi-chuen expressed dissatisfaction that the Administration had not explained the reasons for the boycott. He urged the Administration to seriously review the incident.

18. Echoing the views of a submission from the Hong Kong Culture Monitor (LC Paper No. CB(1)339/12-13(01)), Dr Fernando CHEUNG criticized that the arts/cultural events and carnivals in Kowloon East organized by EKEO were one-off recreational activities serving public relations purposes, not compatible with the normal activities in the industrial areas and offering no benefits to retaining and nurturing the ecology of the arts village in Kowloon East.

19. Head/EKEO/DEVB replied that the Administration had taken note of the concerns of the Hong Kong Culture Monitor expressed in its submission to the Panel about the reduction of industrial premises as a result of the transformation of Kowloon East and hence the lack of space for their activities. He stressed that the Administration would continue to
communicate with local arts and cultural groups and work out possible solutions to address their concerns.

20. Miss CHAN Yuen-han opined that the boycott by three local bands of the "Youth Band Marathon" event stemmed from local artists' view that the planning of Kowloon East under the EKE initiative was commerce-oriented, leaving little room for the survival of local arts and cultural establishments. While raising no objection to the transformation of Kowloon East into a premier business district, she considered that in planning the transformation, the Administration should allow traditional industrial activities, arts and cultural activities, and commercial development to co-exist. To well perform the role of place-maker, EKEO should not push for changes and developments but respect the industrial heritage and cultural development of Kowloon East, listen to the views of the local community carefully, and adopt those views into the planning of the district.

21. Noting that the venue "Fly the Flyover Operation 1" underneath Kwun Tong Bypass was an open-air one, Ms Claudia MO was concerned that the emission of pollutants and noise from the vehicles on the flyover would disturb the performances underneath and cause discomfort to the audience and the performers. Head/EKEO/DEVB replied that the noise generated by the traffic on the flyover had no impact on the activities taking place underneath it. As regards the problem of air pollution, he advised that the EKEO Temporary Office, situated under Kwun Tong Bypass, was the first temporary office building in Hong Kong which had been provisionally given the "Building Environmental Assessment Method Plus" Platinum Rating endorsed by the Hong Kong Green Building Council. An air quality test conducted recently in the Office had been found satisfactory.

Planning of the two Action Areas

22. Dr KWOK Ka-ki said that many arts practitioners had moved into the industrial units in Kowloon East at the time when the rents were low. The rising rents in the district as a result of the transformation would increase the cost of their operation, hence forcing them to move out. Dr KWOK urged that the Administration should provide alternative space in Kowloon East for arts practitioners to continue their operation and, at the same time, develop additional open spaces for public art activities so as to inject vibrancy to the district. Citing Mei Ho House in Shek Kip Mei as an example, he held the view that some vacant buildings in Action Area 1 (Hoi Bun Road Redevelopment) and Action Area 2 (Kwun Tong Ferry Pier
Waterfront Development) under the EKE initiative could be retained to provide spaces for arts and cultural use.

23. While supporting the longer-term set-up of EKEO to continue its tasks to proceed with the EKE initiative, Miss Alice MAK was concerned that the arts and cultural establishments in the district would be marginalized by the ongoing conversion of industrial buildings into office buildings and shopping malls. She suggested that the Administration should reserve spaces in the two Action Areas as early as possible for these establishments in order to restore their confidence in the prospects of continuing their activities in Kowloon East.

24. Head/EKEO/DEVB replied that the existing waste recycling centre and vehicle examination centre at Action Area 1 would be relocated to release some 6.4 hectares of Government land which could be planned for accommodating different possible land uses. He assured members that consideration would be given to public views about the planning of this area, including the suggestion of injecting art elements into the public spaces. Detailed proposals about the development of the two Action Areas would be worked out at a later stage.

25. Mr CHAN Chi-chuen opined that the Administration's plan to release the development potential of the two Action Areas was aimed at economic development, it would leave very limited opportunities for arts practitioners to continue their activities in Kowloon East.

26. Mrs Regina IP asked about the development concept for the two Action Areas. She was concerned that to designate the areas for mixed development might provide a good opportunity for the consortia to invest in commercial and residential developments, but this would put arts practitioners working in Kowloon East in a disadvantaged position. Without a development concept supporting arts and cultural activities in the Action Areas, she did not consider that these activities, which did not make huge profits and could hardly afford to move into the new developments, would be able to sustain.

27. Acknowledging that the existing arts and cultural establishments such as bands, film/art studios, and performance venues were part of the ecology in Kowloon East, Head/EKEO/DEVB said that the Administration would strive to assist them in continuing their operation in the district. Detailed proposals on how to release the potential of the vacant land in the Action Areas had yet to be worked out. In response to Mrs Regina IP's
enquiry on how the arts and cultural activities in Kowloon East would be positioned with regard to the development of the West Kowloon Cultural District, Head/EKEO/DEVB said that while the West Kowloon Cultural District would cater for formal arts activities, Kowloon East had been a place for budding artists.

Design and management of public open spaces

28. Mr Michael TIEN said that unlike other world class cities, there was a lack of clear vision and innovative ideas on how best to provide and make use of public open spaces in Hong Kong. He enquired whether the Administration had a plan to set a theme for the use of public open spaces in Kowloon East or allow activities of any types and themes to use the spaces. Given that different stakeholders would have their own preferences regarding the use of public spaces, he did not consider that a theme for the use of the spaces could be drawn from public consultation.

29. Head/EKEO/DEVB replied that the Administration had adopted an open-minded attitude to the use of public spaces in Kowloon East and would tend to accommodate a wide spectrum of activities. He further advised that EKEO had commissioned an industrial heritage and urban design study in December 2012 to systematically retrace and record the industrial development history of Kowloon East and to translate industrial heritage elements into urban design guidelines, public art features and other forms of displays as an overriding design theme in improving spaces in the public realm. Mr Michael TIEN suggested that the Administration should advise members of the results of the study when it was completed.

30. While acknowledging that the planning concept for EKE had adopted a more people-oriented approach, Mr Albert CHAN opined that the town planning approach of the Administration had mostly been set towards administrative convenience, showing little respect to the preservation of local culture. On the management of public open spaces, he observed that whenever the Administration interfered with the street performances in such spaces in response to complaints or political pressure, the intervention would bring an end to the street culture developed in the local community. He enquired how the Administration would prevent this from occurring in Kowloon East.

31. Head/EKEO/DEVB responded that EKEO had converted an unused site underneath Kwun Tong Bypass into an informal venue for arts and cultural activities. The venue, called "Fly the Flyover Operation 1", had an
open-style design, creating an environment that was both relaxing and enjoyable for the public to visit. Mr Albert CHAN emphasized that the relevant authorities should abstain from interfering with street performers' activities in public spaces.

32. Ms Cyd HO said that certain fire safety requirements under the existing legislation had made it illegal for some arts and cultural presentations to be staged in industrial buildings. In her view, the number of visitors attending cultural presentations on a certain floor of the building should be far smaller than the number of people who worked in the factories on the same floor in the past. Ms HO queried whether the requirements should apply to under-utilized industrial buildings and urged the Administration to amend the relevant legislation as well as to facilitate the alteration of such buildings.

33. Head/EKEO/DEVB replied that with respect to fire safety requirements in industrial buildings, the main consideration of the relevant authorities stemmed from the angle of protecting public safety against possible fire hazards caused by the industrial operations in other parts of the building. He advised that it was the intent of the relevant legislation to protect members of the public attending performance events in the buildings from potential fire hazards.

34. Mr WU Chi-wai said that most arts practitioners required some low-cost indoor spaces for running their workshops or studios. If such spaces would vanish in Kowloon East in future because of high rents, these practitioners would have no choice but to move out, and they would neither need the open spaces to stage performances in Kowloon East. Referring to the Administration's plan to convert Tsun Yip Street Playground into a place for activities, he opined that there was no need to do much alteration to the playground but the public should be allowed to use the open spaces freely. Head/EKEO/DEVB noted Mr WU's views. He replied that the Administration would make Tsun Yip Street Playground flexible in supporting different types of activities.

35. Ms Cyd HO stressed the importance to safeguard the freedom of the public to stage performances in public spaces. In her view, a legal framework should be put in place to protect the right for the free use of open spaces. She pointed out that under the Places of Public Entertainment Ordinance (Cap. 172) ("PPEO"), there was an obsolete provision that any person who kept or used any place of public entertainment for carrying on activities of entertainment such as a lecture or story-telling was required to
apply to the Food and Environmental Hygiene Department for a licence, and those who failed to do so would be liable on conviction to imprisonment for six months and a fine at level 4. The decision to add "lecture" and "story-telling" into the definition of "entertainment" under PPEO was made more than fifty years ago when the Ordinance was amended. Although the authorities had rarely invoked the relevant provision, she did not consider it appropriate for the Administration to retain a provision that suppressed freedom of expression. She urged the Administration to amend the Ordinance.

Enhancement of connectivity

36. **Mr James TIEN** considered that there was no obvious result from the Administration's efforts in enhancing pedestrian connectivity in Kowloon East over the years. He said that the Administration had held discussions with some building owners about building a footbridge network to connect a number of buildings. Noting that the proposal had dragged on for some time, he enquired about the progress of the plan. **Head/EKEO/DEVB** advised that the proposed footbridge network had already been gazetted. The Lands Department was liaising with concerned developers about the implementation of the proposal. In addition, to improve the accessibility from Kowloon Bay Mass Transit Railway ("MTR") Station to the Kowloon Bay Business Area and further to the waterfront of KTD, the Administration would also commission a study to examine the improvement required for enhancing the pedestrian connectivity in the district.

37. **Ir Dr LO Wai-kwok** said that there had long been vehicle-pedestrian conflicts along the streets in Kwun Tong. The traffic congestion problem in the district had become much worse after the construction of a few new buildings near Wai Yip Street and Ho Ming Street. He opined that the provision of underground streets in the area would not only possibly help divert the pedestrian traffic from the existing congested areas, but also add vibrancy to the district. The Administration undertook to consider Ir Dr LO's suggestion.

38. Noting that the current working population in the business areas in Kowloon Bay and Kwun Tong was about 220 000 and some of the workers might be living in areas outside Kowloon East, **Dr CHIANG Lai-wan** considered that there should be adequate provision of public transport for the daily commuting of workers to and from the district to cater for its development. **Head/EKEO/DEVB** replied that the proposed EFLS would connect the Kowloon Bay MTR Station with KTD, where it would
interchange with the Kai Tak Station of the Shatin to Central Link, go along the former airport runway before terminating at the Kwun Tong MTR Station, hence enhancing the connectivity of KTD, Kowloon Bay, Kwun Tong with other parts of the territory.

39. **Mr LEUNG Kwok-hung** enquired whether the Administration's purpose for transforming Kowloon East into an alternative central business district in Hong Kong was, first, to support the National 12th Five-Year Plan and, secondly, to give an opportunity for property developers to make profits from office space development to complement the lack of such opportunity in the West Kowloon Cultural District. In his view, if not for developing office space, the Administration would not take action to improve the transport network and pedestrian connectivity in Kowloon East.

40. In reply, **Head/EKEO/DEVB** said that there was a need to ensure a steady and adequate supply of office space to support Hong Kong's long-term economic development, therefore the Administration took the initiative to facilitate transformation of Kowloon East into an alternative CBD, riding on the increase of commercial buildings developed by the private sector in the district in the past decade. Since Kwun Tong and Kowloon Bay were originally industrial areas, it was necessary to improve the existing road and transport network, the pedestrian environment as well as other ancillary facilities in the districts to cater for the need arising from the transformation.

Other issues

41. **Mr Alan LEONG** referred to the Administration's proposal for the provision of a heliport at the tip of the Kai Tak runway and enquired about the latest position of the proposal. **Head (Kai Tak Office), Civil Engineering and Development Department** advised that the land use of the concerned site had been earmarked for heliport. As informed by the concerned bureau, there was no urgency for the provision of the heliport. The demand for a cross-boundary heliport was yet to be reviewed. Whether the site could be released for other land uses would depend very much on availability of suitable alternative sites in the territory.

Submission of the proposal to the Establishment Subcommittee

42. **Dr KWOK Ka-ki** said that the Administration should take note of the concerns raised by members at the meeting and be prepared to respond to
members' questions with substantive information when the proposal was discussed at ESC.

43. In concluding the discussion on the item, the Deputy Chairman said that members in general supported the Administration's proposal to seek the endorsement of ESC for the continued operation of EKEO.

V PWP Item No. 731CL -- Infrastructure works for housing sites adjacent to Lung Ping Road at Tai Wo Ping, Shek Kip Mei
(LC Paper No. CB(1)287/12-13(05) -- Administration's paper on 731CL -- Infrastructure works for housing sites adjacent to Lung Ping Road at Tai Wo Ping, Shek Kip Mei)

44. Deputy Secretary for Development (Planning and Lands)1 ("DS/DEV(P&L)1") advised that the proposal presented to the meeting was about upgrading PWP Item No. 731CL to Category A at an estimated cost of about $781 million in money-of-the-day prices to provide necessary infrastructure to enable timely delivery of two residential sites at Tai Wo Ping, Shek Kip Mei for land disposal in 2015-2016. With the aid of a powerpoint presentation, Project Manager (Kowloon), Civil Engineering and Development Department ("PM(Kowloon)/CEDD") briefed members on the details of the works project, the scope of which comprised the construction of a single 2-lane and two single lane roads on bridge structure and at-grade connecting the residential sites to Lung Cheung Road, associated geotechnical works and ancillary works. Subject to the Panel's support, the Administration would seek the endorsement of the Public Works Subcommittee ("PWSC") and funding approval of the Finance Committee ("FC") for the project in the first quarter of 2013.

(Post-meeting note: A soft copy of the powerpoint presentation materials (LC Paper No. CB(1)383/12-13(03)) was circulated to members by email on 7 January 2013.)

45. The Deputy Chairman reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of the Legislative Council ("LegCo"), they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects. Under Rule 84 of RoP of LegCo, a member should not vote upon any question in which he had a direct
pecuniary interest except under certain circumstances as provided for in Rule 84.

Traffic impact of new housing developments at Tai Wo Ping

46. Pointing out that the traffic along Lung Cheung Road was already very heavy, in particular during the rush hours, Dr CHIANG Lai-wan expressed concern about the possible adverse impact of the new housing developments at Tai Wo Ping on the traffic conditions along the road. PM(Kowloon)/CEDD advised that the future housing developments at the two potential sites would be low-density in nature compatible with the adjacent low-density residential environment. According to the traffic impact assessment conducted for the proposal, the developments would generate minimal traffic impact on Lung Cheung Road. The proposed road scheme would provide direct and convenient access between the subject sites and Lung Cheung Road, saving travelling time as well as minimizing the traffic and environmental impacts on the nearby residential areas.

47. In response to Dr CHIANG's enquiry about the plot ratio for the housing developments at the two potential sites and the estimated number of residents, PM(Kowloon)/CEDD said that the plot ratio was 1.3 on average for the two sites. The number of residents would depend on the flat size. Based on a total site area of about 32 416 m² for the two sites and if an average flat size of roughly 100 m² was to be adopted, it was estimated that around 400 units could be produced accommodating more that 1 000 residents.

Development intensity and justification for the expenditure

48. While expressing no objection to carrying out the infrastructure works, Dr KWOK Ka-ki doubted whether there was good justification for incurring public expenditure of $781 million for about 400 households. Taking into account the great demand for public housing and the limited supply of land, he suggested that the Administration should consider developing subsidized housing, including public rental housing ("PRH") and Home Ownership Scheme ("HOS") units at the two potential sites. He believed that facilitating the developments of low-density luxury residential properties at the sites with public money would be contrary to public aspiration.

49. In reply, DS/DEV(P&L) said that the Administration had adopted a multi-pronged approach to expanding land resources to meet public demand
for housing. Moreover, to cater for the need for small- and medium-sized flats, residential sites with "flat size restriction" had been sold through the Administration's annual land sale programmes. On public housing, the Planning Department and the Housing Department had been working closely to identify suitable sites for such developments in different parts of the territory. At the same time, it was also necessary to supply land for development of private housing to cater for the needs of the community.

50. District Planning Officer/ Tsuen Wan and West Kowloon, Planning Department added that the two potential residential sites at Tai Wo Ping had been planned to be compatible with the adjacent low-density private residential developments from the land use perspective. If the two sites were to be used for PRH developments, the plot ratio would be 5 or 6 times of that for low-density private residential developments. The buildings would have about 40 storeys and be around 120 metres in height. As the sites were situated on a hillside at around 120 metres above Principal Datum ("mPD"), the PRH buildings at the sites would be about 240 mPD, thereby causing undesirable visual impacts including obstruction to the views of the ridgeline. Besides, the traffic generated from the population at a PRH development might be difficult to be absorbed by Lung Cheung Road, which was already heavily loaded. He stressed that the Administration spared no efforts in identifying suitable sites throughout the territory for subsidized housing developments and there were sites other than those two at Tai Wo Ping that could be considered for such developments.

51. Citing that the buildings in Chak On Estate in the vicinity of the two subject sites only had 10 to 20 storeys, Dr KWOK Ka-ki remained unconvinced of the Administration's explanation. He urged the Administration to review the land use, including the suitability for subsidized housing developments, and the development parameters, such as the plot ratio and development intensity, for the two sites.

52. Ms Cyd HO opined that luxury low-density residential developments would cause a greater impact on the traffic of the local road network than PRH developments. While each household of a low-density development might use its own car, the residents of a PRH development would mostly rely on public transportation. She queried whether there was a shortage of luxury residential flats that justified public expenditure of about $1.8 million per household on carrying out infrastructure works for the potential 400 residential units at the two sites. In her view, as many luxury residential units were vacant and it was not necessary to increase the supply of such units, which would only become the tools for speculation activities. Even if
private housing was to be developed at the two potential sites, she considered it not appropriate to provide only large units. Ms HO requested the Administration to provide information about vacant luxury flats in the market, including the number and the vacancy rate.

(Post-meeting note: The Administration's responses to members' requests in paragraphs 51 and 52 were circulated to members on 29 January 2013 vide LC Paper Nos. CB(1)493/12-13.)

53. DS/DEV(P&L)1 said that the Administration would need to address the public's demands for different types of housing, including both public and private housing, and to cater for the need of those who wished to improve their quality of life by moving into larger flats. To curb speculation in the property market, the Administration had already introduced special measures such as the Special Stamp Duty and Buyer's Stamp Duty.

54. Ms Claudia MO found the reasons given by the Administration in respect of traffic impact for not considering developing PRH at the two sites unacceptable. She was also unconvinced of the proposal to incur public expenditure of $781 million on carrying out infrastructure works for housing sites that would become luxury homes for about 400 households. DS/DEV(P&L)1 further advised that the restrictions of the sites were about the development intensity, but not the housing types. He said that, as explained earlier, tall buildings at the subject sites, which were located at a higher level, would create adverse visual impact against the ridgeline and would be incompatible with the surrounding low-density development, and it would also be difficult for the road network in the area to support the daily transportation of the new population at the PRH developments. He supplemented that the adequacy of supporting infrastructure was an important factor to consider in planning the use of a site. The construction of the proposed roads would not only enable vehicular access to the two potential sites, but also provide relief for the traffic on Lung Ping Road.

55. Mr CHAN Kam-lam expressed support for upgrading the proposed works to Category A to ensure timely delivery of the two housing sites at Tai Wo Ping to ease the shortage of housing land. He considered that both the grassroots and the middle class were in great need of housing. Mr CHAN held the view that when the two potential sites were put up for sale in the market, the land premium would be substantial and could well cover the cost of the works. Pointing out that the proposal had been upgraded to Category B back in 2007, he expressed concern about the long lead time for potential residential sites to be ready for sale and suggested that the Administration
Action

should take action to expedite the land development process. Mr CHAN urged that the infrastructure works for the two housing sites at Tai Wo Ping should commence as soon as possible and the type of housing to be developed therein could be discussed at a later stage.

Feasibility of requiring developers to undertake the infrastructure works for the sites

56. Given that the market had a strong demand for the housing sites, Mr WU Chi-wai asked whether the Administration could consider requiring the potential developers through the land sale conditions to undertake the necessary infrastructure works for developing the subject sites. DS/DEV(P&L)1 replied that the Administration had considered the option of entrustment. However, the works project involved changes to road alignments and thus statutory procedures. The duration of the project would not be shortened even if it was to be taken by the private sector. Moreover, for the present project, site formation works were required to be done beforehand to provide certainty on the development potential of the two sites before their disposal. Otherwise the developers bidding for the sites might face uncertainties in realizing the development parameters of the sites should the site formation works ran into technical difficulties afterwards. Having considered the above factors, the Administration decided to undertake the infrastructure works for the sites.

57. Mr WU remarked that it was commonly known that private developers were more efficient than the Administration in delivering works projects. He believed that engaging private developers in the infrastructure works for the sites would expedite the delivery of residential flats to the market. Mr WU and Dr CHIANG Lai-wan requested the Administration to study whether potential sites without necessary infrastructure could be put up for sale to developers, and whether provisions requiring the successful developer to undertake the necessary infrastructural and road works could be incorporated in the land sale conditions to save public money.

(Post-meeting note: The Administration's response was circulated to members on 29 January 2013 vide LC Paper No. CB(1)493/12-13.)

58. DS/DEV(P&L)1 said the Administration would re-examine the issues raised by members to see if the option of entrustment would be able to expedite the disposal of the sites. He further advised that even if the infrastructure works were to be undertaken by the developer, the works project was still a public works project, and a relevant public works
programme had to be set up for funding purposes.

Submission of the proposal to the Public Works Subcommittee

59. Dr KWOK Ka-ki said that while he had no objection to the submission of the proposal to PWSC, he held the view that the Administration should review the type of housing and sizes of units to be developed at the sites to cater for the different housing needs of the general public. Sharing Dr KWOK's view, Ms Cyd HO said that the Administration should support middle-class families with monthly income less than $40,000, but not those who could afford properties valued at $10 million or above, in meeting their housing needs. In concluding the discussion on the item, the Deputy Chairman said that members in general supported the Administration's proposal to seek the endorsement of PWSC for upgrading PWP Item No. 731CL to Category A, and that he would report members' views on the project to PWSC.

VI Legislative amendments for the introduction of the Signboard Control System

(LC Paper No. CB(1)287/12-13(06) -- Administration's paper on introduction of the Signboard Control System

LC Paper No. CB(1)287/12-13(07) -- Paper on signboard control system prepared by the Legislative Council Secretariat (Background brief)

LC Paper No. CB(1)373/12-13(01) -- Submission from a deputation (民主關注街坊) dated 21 December 2012)

60. Deputy Secretary for Development (Planning and Lands) briefed members on the proposed Signboard Control System ("SBCS"), the details of which were given in the Administration's paper (LC Paper No. CB(1)287/12-13(06)). He said that under the Minor Works Control System ("MWCS"), which came into operation on 31 December 2010, building owners could follow a set of simplified procedures to carry out small-scale buildings works. Erection or alteration of specific types of signboards was also included as minor works. Under MWCS, a validation scheme also came into effect on 31 December 2010. The scheme allowed certain household minor unauthorized buildings works ("UBWs"), such as unauthorized drying racks, small canopies and
supporting frames for air-conditioners, erected before the commencement of MWCS to have their safety "validated". The Building Authority ("BA") would not take enforcement action against these "validated" UBWs, even though they had been carried out without prior approval and consent of BA in contravention of section 14(1) of the Buildings Ordinance (Cap.123)("BO"). The Administration considered that in order to enhance the safety of existing unauthorized signboards, SBCS should be introduced in a way similar to the validation scheme for the minor household UBWs mentioned above. Under the proposed SBCS, the continued use of certain existing unauthorized signboards would only be allowed after safety inspection, strengthening (if necessary), and certification by prescribed building professionals ("PBPs") and prescribed registered contractors ("PRCs"). Unauthorized signboards that had not been validated under the proposed SBCS would be subject to enforcement action by the Buildings Department ("BD"). Moreover, signboard owners who had had their unauthorized signboards validated should, after a period of five years, either make a fresh validation submission for the signboards concerned or remove them.

61. DS/DEV(P&L)2 further advised that the enabling provisions for introducing SBCS had been included in the Buildings Legislation (Amendment) Bill 2011, which had been passed by LegCo in July 2012. The details of SBCS would be set out in a subsidiary legislation to be tabled in LegCo within 2013. To delineate the limit on the size of unauthorized signboards that were eligible for safety validation, the Administration proposed that the technical specifications should follow those that had been designated as minor works in the Building (Minor Works) Regulation to ensure that the signboards eligible for validation were small in scale and posed less potential risk. As for signboards falling outside these specifications, the requirement of prior approval and consent of BA before erection or alteration would continue to apply. SBCS would only apply to unauthorized signboards erected before a specified date which was proposed to be the date when the new arrangement came into operation.

Comprehensive database on signboards

62. Recalling that the Administration was preparing a comprehensive database on signboards in Hong Kong, Mr WONG Kwok-hing enquired about the progress of the work. Deputy Director of Buildings ("DD of B") advised that BD had engaged consultants in 2011 to conduct a stock-taking exercise of UBWs at the exteriors of buildings in Hong Kong, including unauthorized outdoor signboards. The exercise was almost completed.
With the establishment of such database, which would contain information about the type, location, size and photograph of each unauthorized signboard, the Administration would have useful information for planning its enforcement work. Mr WONG suggested that the Administration should brief the Panel on the database when it was set up.

Enforcement work against unauthorized signboards

63. Pointing out that erection of unauthorized signboards was rampant in shopping areas, Mr WONG Kwok-hing said that the problems caused by these signboards were serious. For example, many large signboards would possibly hinder fire rescue work. He queried the efficacy of introducing SBCS at this late stage as more than 190 000 unauthorized signboards had already been erected.

64. DS/DEV(P&L)2 explained that out of the existing estimated 190 000 unauthorized signboards, BD estimated that about 85%, i.e. around 160 000 unauthorized signboards, could be validated under the proposed SBCS. These signboards were relatively small and posed less potential hazard. The larger unauthorized signboards would be subject to BD's enforcement actions, including large-scale operations against UBWs taken from time to time. For new signboards, the erection and alteration of the smaller ones, i.e. those within certain technical specifications, had been designated as minor works. To erect signboards with specifications beyond those specified in the Building (Minor Works) Regulation, prior approval and consent of BA were required. Taking into account that many signboards were in active use by business operations and their existence carried notable value for sustaining local commercial activities, the Administration sought to deal with the issue of unauthorized signboards in a pragmatic way by formulating SBCS.

65. Mr Gary FAN expressed reservation on the proposed SBCS, which he considered failing to address public safety concerns. In his view, SBCS delayed enforcement actions against unauthorized signboards by introducing a registration system, under which illegal signboards became legal. The signboard problem had aggravated over the years, attributable to the procrastination of the Administration in taking enforcement actions. Apart from safety issues, unauthorized signboards had created other problems such as light pollution and obstructing air ventilation. Mr FAN urged that BD should strengthen its manpower resources in order to take efficient enforcement actions against unauthorized signboards.
66. DS/DEV(P&L)2 said that the Administration had adopted a pragmatic approach in dealing with the large number of existing unauthorized signboards. In fact, enforcement actions against such signboards had not stopped. In the period from 2006 to 2011, BD had issued 10 900 Dangerous Structure Removal Notices against dangerous or abandoned signboards and demolished 18 200 such signboards. By conducting safety assessments, BD had identified those unauthorized signboards that warranted priority enforcement actions.

67. Ms Cyd HO relayed a complaint she had received about BD's inaction on the reporting of an unauthorized signboard under construction. Considering that the complaint reflected the inefficiency of BD's enforcement work, she asked whether BD would review its operation so that unauthorized signboards could be removed before they were erected.

68. DD of B replied that, upon receiving a report about unauthorized building works under construction, BD's staff or outsourced consultants would conduct an inspection within 48 hours according to BD's performance pledge. If the erection of the signboard was found being carried out without BA's approval or was not commenced under the simplified requirements according to MWCS, appropriate enforcement action would be taken.

69. Ir Dr LO Wai-kwok asked whether the Administration had a timetable for completing the validation of or taking enforcement actions against all the 190 000 existing unauthorized signboards. In response, DS/DEV(P&L)2 said that although there were no specific timeframes for completing the validation and enforcement actions, the Administration would try its best to accelerate the enforcement actions with the available resources. DD of B added that with the implementation of MWCS for erection of new small signboards and the proposed SBCS to validate the majority of existing unauthorized signboards, the signboard control system would be significantly enhanced. Ir Dr LO suggested that the Administration should categorize the 190 000 unauthorized signboards according to their different risk levels in order to formulate appropriate and timely follow-up actions. The Administration noted Ir Dr LO's suggestion.

70. Mr Michael TIEN suggested that, to make a deterrent effect, the Administration should impose penalties on the owners of unauthorized signboards if they refused to comply with removal orders. Otherwise, the number of unauthorized signboards would keep on increasing. Referring to paragraph 8 of the Administration's paper about issuance of removal orders
to the owner of the land or premises on which the signboard had been erected if the signboard owner or the person who received any rent (if the signboard were hired out) could not be found, he opined that this arrangement was unfair to the building/land owner, as his/her consent might not have been sought when the signboards were erected.

Abandoned signboards

71. Mr WU Chi-wai expressed concern about the structural safety of signboards without owners and hence without proper maintenance. He enquired about the number of such abandoned signboards in the territory and enquired about the Administration's timetable for clearing them.

72. DD of B said that the consultants engaged by BD for the stock-taking exercise had collected information about the physical conditions of the signboards but no information had yet been sought on the ownership of these signboards. After the comprehensive database on signboards was set up later this year, BD would make use of the information therein to draw up a plan for taking further actions on the unauthorized signboards.

73. In response to Dr CHIANG Lai-wan's enquiry, DD of B confirmed that BD was empowered under the Public Health and Municipal Services Ordinance (Cap. 132) to remove dangerous or abandoned signboards for protecting public safety.

74. Mr LEUNG Kwok-hung urged the Administration to implement effective enforcement measures against abandoned signboards to eliminate the risk that they posed on public safety. Given that the number of unauthorized signboards was substantial and would keep on increasing, he suggested that BD should formulate a clearance action plan as soon as possible, list out the resources required and seek the necessary funds from the Finance Committee of LegCo to resolve the signboard problem once and for all. Priority action should be accorded to those signboards that posed immediate danger. As regards follow-up on removal orders, he suggested that the Administration should take firm action to remove the concerned signboards if no response was received from the signboard or land owners within a reasonable time after the issuance of the removal orders.

75. Mr James TO said that he had discussed with BD for many years the establishment of a system to regulate erection of signboards. Showing support for the proposed SBCS, he urged that reasonable time should be given to BD to implement the new measures step by step. In his view,
enforcement actions should first be taken against abandoned signboards and large, broken or dilapidated signboards posing potential danger. He enquired about the number of dangerous signboards as revealed by the consultant's stock-taking exercise.

76. DD of B said that the consultants were required to identify different types of UBWs but no breakdown on the number of dangerous signboards was yet available. He added that BD would take enforcement actions against dangerous signboards during its large-scale operations and in response to the reports from the consultants and the public. Among the 10,900 Dangerous Structure Removal Notices issued during the past six years, the majority had been issued against abandoned signboards.

Implementation of the proposed Signboard Control System

77. Dr CHIANG Lai-wan welcomed the introduction of measures to further regulate erection of signboards. She sought details about the qualified persons who could erect new signboards and/or conduct safety inspection on existing unauthorized signboards under the proposed SBCS and the number of such persons. She expressed concern about the processing time for the applications for validation and whether this would affect the operation of businesses. DS/DEV(P&L)2 replied that under MWCS, erection or alteration of signboards was required to be undertaken by PBPs or PRCs. Under SBCS, it was proposed that only the PBPs and PRCs who were registered for the specific classes, types and items of minor works relating to the erection, alteration of signboards could carry out the safety inspection, strengthening, and certification of unauthorized signboards falling within the corresponding classes, types and items. Currently, there were more than 7,000 PBPs and PRCs, who were qualified to carry out such work.

78. Mr Michael TIEN enquired how the Administration could distinguish "new" unauthorized signboards from existing ones, which would fall into the control under SBCS, and how to identify those which had followed the requirement of the five-year safety inspection. DS/DEV(P&L)2 said that SBCS would only apply to unauthorized signboards erected before a specified date which was proposed to be the date when SBCS came into operation. Meanwhile, BD had engaged consultants to stock-take all existing unauthorized signboards in Hong Kong for compilation of a comprehensive database, which should give BD a good idea of the whereabouts of most existing signboards.
79. In response to Mr WU Chi-wai's enquiry on the scenario where the display surface of a validated signboard had been changed before the end of the five-year validation period, DD of B confirmed that the new owner had to make a fresh validation submission to BD for retaining the validated signboard.

80. Noting that the signboards proposed to be included in SBCS could be as large as 20 m², Ms Cyd HO opined that such signboards were in fact not small and the Administration should not only consider the structural safety issue, but also light pollution and air ventilation issues when allowing such signboards to continue to be erected.

81. DS/DEV(P&L)2 advised that the proposed maximum sizes and types of signboards for validation under SBCS, which were set out in the Annex to the Administration's paper, had adopted the technical specifications applicable to the signboards covered by MWCS, which were specified in the Building (Minor Works) Regulation.

82. Mr CHAN Kam-lam pointed out that in the past, BD's enforcement actions against unauthorized signboards had not been satisfactory. He enquired whether BD would set up a dedicated team to implement the proposed SBCS in future and undertake enforcement work against unauthorized signboards. DD of B replied that the BD's Existing Buildings Divisions, with 500 to 600 staff, were responsible for, amongst other duties, enforcement work against unauthorized signboards. A new Signboard Control Unit with around 20 staff had been set up to prepare for the implementation of SBCS. BD would review the division of work between the new Unit and the Existing Buildings Divisions of the Department with a view to enhancing the efficiency of enforcement work against unauthorized signboards.

Conclusion

83. In concluding the discussion, the Deputy Chairman requested the Administration to take note of members' views on the control of unauthorized signboards expressed at the meeting. He said that to follow up the outstanding issues, members might wish to form a subcommittee to scrutinize the subsidiary legislation on SBCS when it was tabled to LegCo.
VII Enforcement strategy in relation to recent unauthorized building works cases with major public concerns

(LC Paper No. CB(1)287/12-13(08) -- Administration's paper on enforcement strategy in relation to recent unauthorized building Works cases with major public concerns

LC Paper No. CB(1)287/12-13(09) -- Paper on enforcement strategy in relation to recent unauthorized building works cases with major public concerns prepared by the Legislative Council Secretariat (Background brief))

Other relevant papers previously issued

(LC Paper No. CB(1)273/12-13(01) -- Letter dated 29 November 2012 from Hon James TO Kun-sun

LC Paper No. CB(1)273/12-13(02) -- Letter dated 30 November 2012 from Hon Albert CHAN Wai-yip)

84. With reference to the Administration's paper (LC Paper No. CB(1)287/12-13(08)), the Secretary for Development ("SDEV") briefed members on the established practice for handling UBWs cases involving senior Government officials and celebrities which had aroused public concern. He highlighted that BD had been taking appropriate actions against UBWs in accordance with the law. For all UBWs cases, BD would take enforcement actions independently, professionally and impartially, without making any special arrangements because of the identity of the owner concerned. SDEV stressed that as he was responsible for formulation of policy, he did not and would not interfere with BD's enforcement work.

85. Director of Buildings ("D of B") highlighted BD's handling of the UBWs at Houses No. 4 and 5 of No. 4 Peel Rise ("the case"), the details of which were given in the Administration's paper. He emphasized that the case had been handled according to the prevailing enforcement policy and practices. After the media reported on 21 June 2012 that the case involved the then Chief Executive-elect, BD immediately deployed its staff to visit
the building concerned, i.e. House No. 5, for inspection pursuant to the prevailing procedures for handling cases involving senior Government officials and celebrities. While the UBWs at House 5 as reported had been removed, BD identified other UBWs which had not been reported by the media, the details of which were in paragraph 12 of the Administration's paper. BD then issued an advisory letter to the owner on 22 June 2012 advising him to rectify the irregularities as soon as possible. In response to media reports on 26 June 2012, BD conducted an on-site inspection on the same day on the reported "unauthorized servant's room" on the lower ground floor of House 4. Despite that no "unauthorized servant's room" had been identified, BD noticed that a wall of the store room did not match with that shown on the approved plan. BD then issued a letter on 27 June 2012 to the authorized person appointed by the owner ("the AP"), copied to the owner, requesting for information on the construction and purpose of the wall. Thereafter, three written reminders had been issued to the AP urging him to provide the information. After the owner issued a statement on his property (the two houses at Peel Rise) on 23 November 2012, BD staff conducted an inspection of the two houses with the AP on 26 November 2012 to follow up and investigate two items of UBWs which had not been identified before but had been mentioned in the statement, namely, a toilet at the yard on the ground floor and an extended floor space on the lower ground floor of House 4.

Regulatory regime for different types of building works

86. Dr CHIANG Lai-wan said that under the existing regulatory regime for building works, it might not be easy for property owners to differentiate works that would be classified as UBWs, exempted works, amenity features, etc. Given the wide scope of building works and the complexity of the regulatory regime, she pointed out that even some professionals in the building industry might not be able to grasp the difference between various types of building works. In view of the large number of trellises in the houses in the New Territories, Dr CHIANG in particular sought explanation from the Administration for classifying the trellis at House 4 of the case as actionable UBWs.

87. D of B advised that under BO, all building works, with the exception of exempted works as defined under section 41 of BO, such as internal alteration not involving the structure of the building, and the designated minor works items that might be carried out under the simplified requirements of MWCS, required the prior approval and consent of BA before the commencement of such works. Otherwise, regardless of the scale
of such works, they would be regarded as UBWs and subject to BD's enforcement actions. Under the prevailing enforcement policy, priority enforcement actions would be accorded to UBWs that posed an obvious hazard or imminent danger to life and property and those erected on the exterior of buildings other than minor amenity features. Under the said policy, a trellis which was not excessive in size, open-sided and not fully covered on the top was considered an amenity feature. However, the trellis at House 4 was a structure with sides enclosed and the top fully covered and was erected at the exterior of a building. It was therefore not an amenity feature but an actionable UBW subject to enforcement actions.

88. Mr CHAN Kin-por observed that as the regulatory regime for UBWs had kept on changing in response to developments in society, some minor works contractors could not tell with certainty the scope and types of minor works which did not require BA's prior approval. He suggested that BD should take action to enhance the technical knowledge of registered professionals and contractors to ensure that they fully understood the approval requirements for different types of building works.

89. D of B said that the definitions of UBWs, minor works and exempted works, etc. had been stipulated clearly in BO and related regulations. Registered personnel, including APs and registered minor works contractors, had been assessed on their knowledge about the relevant provisions of BO and the classifications of building works before they were qualified to register with BD. To keep them informed on the new developments in BO, BD issued practice notes, guidelines and other relevant publications from time to time and as needed. In addition, BD had also set up various channels for communication with registered personnel to answer the latter's enquiries and discuss works-related issues.

Enforcement policy for the control of unauthorized building works

90. Mr Michael TIEN enquired about the enforcement actions against actionable and non-actionable UBWs. D of B advised if there were confirmed actionable UBWs after an inspection, BD would normally issue an advisory letter advising the owner to rectify the irregularities as soon as possible. If the owner did not commence the rectification works within a reasonable time, usually 30 days, BD would issue a statutory order requiring the owner to carry out the works normally within 60 days. BD would also register the order in the Land Registry (commonly known as "imposing an encumbrance" ("釘契"). If the owner did not comply with the statutory order, BD would institute prosecution. Regarding non-actionable UBWs,
BD would serve an advisory letter or a warning notice requesting the owner to remove the UBWs voluntarily. If a warning notice had been issued and the owner failed to remove the UBWs by the date specified, BD would register the warning notice in the Land Registry.

91. **Mr TIEN** queried the effectiveness of serving advisory letters or registering warning notices in the Land Registry against non-actionable UBWs in lieu of imposing penalties on the owners. Since no enforcement actions would be taken against non-actionable UBWs, he suggested that instead of issuing advisory letters or warning notices, consideration might be given to simply advising the owners concerned that the UBWs could be retained until the properties were sold. In response, Permanent Secretary for Development (Planning and Lands) said that since April 2011, the coverage of actionable UBWs had been extended to include all UBWs on the exterior of buildings (except minor amenity features), such as those on roof-tops and podiums, as well as those in yards and lanes, irrespective of their levels of risk to public safety. After most actionable UBWs had been cleared, the Administration might consider reviewing the prevailing enforcement policy for non-actionable UBWs. He pointed out that advisory letters and warning notices against non-actionable UBWs could serve to make it clear to the owners concerned that the UBWs were not legal and should be removed.

Unauthorized buildings works at York Road and Peel Rise

92. **Mr Albert CHAN** pointed out that the Development Bureau ("DEVB") and BD had taken actions against the UBWs at Nos. 5A and 7 York Road, Kowloon Tong ("the York Road Case") and at Houses 4 and 5 of No. 4 Peel Rise ("the Peel Rise Case") in different manners. The former SDEV had adopted a high profile in the handling of the UBWs in the York Road Case by making the remarks in public that she would require BD to take action against the case properly, and briefing the media on the progress of BD's investigation, while for the UBWs in the Peel Rise Case, the incumbent SDEV had stated that he would not interfere with BD's enforcement actions. Moreover, BD had instigated a criminal investigation on the construction of the UBWs in the York Road Case. He suggested that, in order to assist members in comparing BD's enforcement actions against the UBWs in the two cases, the Research Division should prepare an information note on the reactions and actions that the Administration (including DEVB and BD) had taken against the UBWs in the two cases, the UBWs/contravention issues involved in the two cases, and when the various UBWs in the two cases had been erected.
93. D of B stressed that BD had followed the same procedure in taking enforcement actions against the UBWs in the two cases. In general, upon discovering UBWs, BD would request the relevant owner to rectify the irregularities as soon as possible and normally would not attempt to find out when the UBWs were constructed. Nonetheless, when there was information showing that the responsible person for a building work under BO, such as an AP, a registered structural engineer or a registered contractor, was suspected to have committed offences under BO by, for instance, erecting UBWs or knowingly submitting misrepresented documents to BA, BD would consider initiating a criminal investigation. For the York Road Case, there were media reports with substantive information showing the responsible person for the building project might have been involved in the erection of the UBWs and submission of misrepresented documents to BA.

94. Mr Gary FAN said that he was concerned whether BD had adopted double standards in handling the UBWs in the two cases by taking enforcement actions selectively, against the principle of maintaining political neutrality and upholding professionalism. He understood that BD staff had made several visits to the building at York Road to collect building material samples from the suspected UBWs with a view to determining when the UBWs had been constructed. Given it was said that the UBWs in the Peel Rise Case might have already existed when it was sold as a first-hand property, he queried why BD had not taken a criminal investigation on the UBWs for the Peel Rise Case. He asked the Administration to advise the Panel on the guidelines for instigating criminal investigation on a UBWs case and the precedents for such investigation.

95. Mr WU Chi-wai pointed out that an architect appointed by the Chief Executive ("CE") to assist him in handling the UBWs in the Peel Rise Case had stated on 26 June 2012 that the location of some underground space at the building did not match with that shown on the approved plan. As such, there was prima facie evidence to warrant BD's criminal investigation so as to find out whether any persons responsible for the building works had contravened any law by submitting misrepresented documents to BA. He added that, according to some building professionals, the unauthorized underground floor space at the building might have been constructed at an initial stage. As both the York Road Case and the Peel Rise Case seemed to involve submission of misrepresented documents to BA, it was not unreasonable for the public to have a perception that BD had adopted double standards in handling the two cases.
96. **D of B** stressed that there was no question of BD applying double standards in handing the two cases. He said that the architect's observation mentioned by Mr WU only indicated that the space might involve UBWs but there was no information showing that the AP submitting the building plan for this building project had participated in the erection of the UBWs, whereas in the York Road Case, there were media reports containing substantive information, including photographs and documents, showing the situation of building works under construction with material deviations from the approved plan but matching with the UBWs now identified on site, apparently with the knowledge of the AP. For UBWs cases not involving substantive information about submission of misrepresented documents, it would be unnecessary and intrusive to conduct a criminal investigation. **D of B** further advised that criminal investigation on the professional conduct of authorized persons or registered contractors concerning suspected violation of BO was not rare. Examples included the investigation on cases involving mistakes made by such persons causing accidents at building sites.

97. **Mr CHAN Kam-lam** said that it was unfair to BD staff to subject them to queries in these two highly politicized cases. Therefore, it was imperative that **D of B** should clarify whether BD had acted impartially, independently and professionally in handling these two cases. There were concerns among the public that BD had handled the York Road Case more stringently because the owner had lost in the election of the Chief Executive, but the Department was lenient to the owner of the building at Peel Rise because the owner was the incumbent CE. In response, **D of B** reassured members that BD had handled the two cases in accordance with the established enforcement policy and practice, irrespective of the identity of the owner.

*Rectification works for unauthorized floor space*

98. Referring to CE's remarks in his statement made on 23 November 2012 that he had built a wall to brick off an unauthorized floor space at the lower ground floor of House 4 of No. 4 Peel Rise to make the space inaccessible, **Mr Albert CHAN** enquired whether it was necessary to obtain the prior approval and consent from BA for such works. **Mr CHAN Kam-lam** asked whether sealing up the unauthorized space with a brick wall was acceptable to BD as a rectification measure. **Mr Alan LEONG** pointed out that the owner of House 4 had said that as he had sealed up the unauthorized floor space on the lower ground floor, the unauthorized space therefore no longer existed. He sought the Administration's comment on the validity of the statement.
99. In response, D of B advised that erecting the wall, which was inside the building and did not involve the structure of the building, was exempted works which did not require the prior approval of BA. However, merely building a brick wall to block the access to an unauthorized floor space was not an acceptable rectification measure. To properly rectify the irregularity, the owner should make the space completely inaccessible and unusable, such as filling the space with soil or lean concrete or erecting frames inside and across the space.

100. Dr Fernando CHEUNG asked the Administration whether bricking off the unauthorized floor space at the lower ground floor of House 4 as a rectification measure was legal under BO. SDEV and D of B reiterated that bricking off the unauthorized floor space was not considered an acceptable rectification measure. Dr CHEUNG expressed grave dissatisfaction that the Administration had refused to comment on the legality of such works as a rectification measure for an unauthorized floor space.

101. To facilitate members' understanding of how an unauthorized floor space should properly be reinstated, Mr James TO requested that the Administration should provide details of approved rectification works for such space.

102. With reference to paragraph 14 of the Administration's paper about the unauthorized floor space at the garden level beneath the parking space of House 5 of No. 4 Peel Rise, Mr James TO sought details of the remedial proposal for the space. D of B said that the AP had submitted a remedial proposal to BD on 20 August 2012 and, following discussion with BD on the details of the works, submitted a revised proposal on 11 October 2012, which was accepted by BD on 30 October 2012. As advised by the AP, the remedial works had been completed. BD would liaise with the AP for a site inspection. As an established policy, BD would not release the details of the remedial proposals for individual cases.

103. Mr TO further asked whether BD would seek the consent of the owner of House 5 for BD to disclose the information in relation to the remedial proposal in the interest of the public. D of B said that as the request involved third-party information, BD would handle it according to the Administration's Code on Access to Information ("the Code").
Letter from the Buildings Department to the owner of House 4 about a wall on the lower ground floor and the three reminders

104. Noting that BD had sent a letter on 27 June 2012 to the AP, copied to the owner, requesting for information on the construction and purpose of a wall on the lower ground floor of House 4 the position of part of which did not match with that shown on the approved plan, and that three subsequent written reminders had been issued to the AP urging him to provide the information, Mr Albert CHAN queried the Administration on covering up the owner's delay in reply until a BD officer revealed it in late November 2012. Mr Alan LEONG pointed out that the owner of House 4 had explained that due to a pending court case, he could not respond to the aforesaid letter and reminders from BD. He asked the Administration whether the owner or the AP had given such message to BD directly.

105. In reply, D of B said that he would not comment on the correspondence between BD and a property owner or an AP on an individual case. Mr Alan LEONG requested that the Administration should seek the consent of the owner of House 4 for BD to disclose the information in relation to the correspondence about the wall in question, in particular whether the owner/the AP had informed BD that he would not respond to the letters when there was a pending court case. D of B replied that the request would be processed according to the Code.

106. Dr Kenneth CHAN was dissatisfied with D of B's reply that the request for disclosing the information relating to the correspondence would be handled in accordance with the Code. He had written to BD requesting for the same information but the reply was still outstanding. He opined that the Administration should, with due regard to the public's right to information about the case, disclose it without any delay. Prompt disclosure of the correspondence would also help present the whole picture of the case to assure the public that BD had handled the case independently, fairly and impartially. He enquired whether there was any communication between BD and the owner of House 4 or the AP after BD had issued a letter on 27 June 2012, or BD just waited for response passively to allow the owner to delay taking any action.

107. D of B said that there was no lack of communication between BD and the AP on the UBWs at the two houses at Peel Rise since the letter had been issued on 27 June 2012. He explained that, as BD's site inspection on 26 June 2012 revealed that the wall on the lower ground floor of House 4 showed no sign of obvious danger, BD had therefore allowed the owner to
take time to carry out rectification works and at the same time requested the owner to provide information on the wall. If the owner gave no response after some time, BD would consider applying to the court for a warrant to conduct a site inspection. In the present case, this was not necessary as the owner had disclosed the construction and purpose of the wall in his statement made on 23 November 2012.

108. **Dr Fernando CHEUNG** regretted that D of B had not responded directly to members' requests for further information on the case but had reiterated that the requests would be considered under the Code. He said that as the public were very concerned about the integrity of CE and his governance, which had been put in doubt by his unsatisfactory handling of the UBWs in his houses, the Administration should commit to disclosing the information shortly to allay public concern.

109. **Ms Cyd HO** said that the case of UBWs at Houses 4 and 5 at No. 4 Peel Rise was not an ordinary UBWs case as the property owner was CE and hence his handling of the UBWs was subject to public scrutiny. She considered that there was no privacy issue in the case as it was not an individual UBWs case but a political incident of immense public interest concerning CE's integrity. In her view, it was obvious that BD had handled the UBWs in the York Road Case and the Peel Rise Case with different standards. For the former case, a criminal investigation had been initiated, while for the latter case, the owner had been allowed to conceal an unauthorized underground floor space with a brick wall. This had led the public to cast great doubts over the integrity of civil servants in performing their duties. Given that the Peel Rise Case was a political incident, she urged SDEV, as a politically appointed official, to request CE in person, to disclose the information requested by members, instead of asking BD to make the request.

110. **SDEV** reiterated that BD had been carrying out their enforcement actions against UBWs in an impartial and professional manner. He stressed that BD staff's professional judgement should not be influenced by political considerations. He said that D of B had already undertaken to provide the information requested by members according to the Code, under which the consent of the third-party involved would be sought. The same applied to the written request by Dr Kenneth CHAN made to BD earlier. He considered this an appropriate way to handle members' requests.

111. **Ms Cyd HO** expressed dissatisfaction about SDEV's reply and reiterated that SDEV, as a politically appointed official, should handle the
request for information on this political incident in person. If SDEV would not do so, she would consider that he had failed in his job. SDEV disagreed with Ms HO and said that her comment was unfair to him.

[To allow sufficient time for discussion, the Deputy Chairman directed that the meeting be extended for 15 minutes.]

112. Mr LEUNG Kwok-hung said that the purpose of the discussion on the subject was to allow members to follow up with the Administration the handling of a case which was not an ordinary case. He was gravely dissatisfied that the Administration had not made better preparation for the meeting by seeking consent from the concerned property owner for disclosing the necessary information related to the case. He said that if D of B did not understand the purpose of the meeting, he was "dumb" ("蠢"). SDEV said that Mr LEUNG had made an offensive remark against a public officer. The Deputy Chairman asked Mr LEUNG to withdraw the remark. Mr LEUNG said that the case involved public interest. It was not about an ordinary person in Hong Kong but about CE, and the Administration should have sought CE's consent for disclosing the necessary information to the meeting. SDEV said that Mr LEUNG had called D of B a "dog official" ("狗官") during the meeting when other members were speaking. He requested the meeting to put in record his view that both expressions ("dumb" and "dog official") against D of B were unacceptable.

113. Mr LEUNG Kwok-hung said that the term ("狗/九品芝麻官") could mean "dog official" or "public official of the ninth rank" and he did not refer to D of B when he had used this term earlier. He said that SDEV was also a "dog official/public official of the ninth rank" ("狗/九品芝麻官"). SDEV requested the meeting to put in record that Mr LEUNG was referring to D of B when he used the term earlier and that he found Mr LEUNG calling him a "dog official" offensive and unacceptable.

[Mr LEUNG interrupted and used the expression "dog official/public official of the ninth rank" again. The Deputy Chairman asked Mr LEUNG to stop speaking. Mr LEUNG left the conference room.]

Investigation of unauthorized works at Nos. 5A and 7 York Road

114. With reference to the comments of the owner of Nos. 5A and 7, York Road that the criminal investigation on his property had taken a long time
and was still ongoing, Mr CHAN Kam-lam asked about the progress of the investigation and the possible follow-up actions. D of B advised that on-site collection of evidence had been completed but the investigation was still in progress. An investigation report would be submitted to the Secretary for Justice for consideration of institution of prosecution.

VIII Any other business

Establishment of a joint subcommittee to monitor the implementation of the West Kowloon Cultural District project

115. The Deputy Chairman advised that in the Fourth LegCo, a joint subcommittee had been formed under the Panel on Development and the Panel on Home Affairs ("HA Panel") to monitor the implementation of the West Kowloon Cultural District project. At the meeting on 14 December 2012, HA Panel proposed that the same joint subcommittee be formed again in the current term under the two Panels. Subject to members' agreement to this proposal, the Secretariat would arrange a joint Panel meeting for members to discuss the proposed terms of reference, work plan and time frame for completion of work of the joint subcommittee. Members agreed to the proposal.

(Post-meeting note: With the concurrence of the Chairmen of the Panel on Development and the HA Panel, the joint Panel meeting was held on 11 January 2013 at 2:00 pm. The notice of meeting and the agenda were circulated to members vide LC Paper No. CB(2)455/12-13 on 8 January 2013.)

Heritage conservation

116. With reference to item 7 on the Panel's list of outstanding items for discussion, Dr Kenneth CHAN said that he had earlier proposed that the Panel should discuss with the Administration its policy and work on heritage conservation. In the light of the Administration's two decisions relating to built heritage announced in December 2012, namely to reuse the West Wing of the former Central Government Offices as offices of the Department of Justice and law-related non-government organizations, and not to declare Ho Tung Garden a monument under the Antiquities and Monument Ordinance (Cap. 53), Dr CHAN proposed that the Administration should discuss with the Panel the subject matter as soon as possible.
(Post-meeting note: The Administration agreed to brief the Panel on the progress of work on heritage conservation initiatives at the Panel's regular meeting to be held on 26 February 2013. The notice of meeting and the agenda were circulated to members vide LC Paper No. CB(1)475/12-13 on 24 January 2013.)

117. There being no other business, the meeting ended at 12:57 pm.

Council Business Division 1
Legislative Council Secretariat
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