

**立法會**  
***Legislative Council***

LC Paper No. CB(1)282/13-14  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/DEV/1

**Panel on Development**

**Minutes of meeting**  
**held on Monday, 15 July 2013, at 9:00 am**  
**in Conference Room 1 of the Legislative Council Complex**

**Members present** : Dr Hon LAU Wong-fat, GBM, GBS, JP (Chairman)  
Hon Tony TSE Wai-chuen (Deputy Chairman)  
Hon James TO Kun-sun  
Hon CHAN Kam-lam, SBS, JP  
Hon Emily LAU Wai-hing, JP  
Hon Frederick FUNG Kin-kee, SBS, JP  
Hon Cyd HO Sau-lan  
Hon CHAN Hak-kan, JP  
Hon CHAN Kin-por, BBS, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Hon IP Kwok-him, GBS, JP  
Hon Mrs Regina IP LAU Suk-ye, 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  
Hon CHAN Han-pan  
Dr Hon Kenneth CHAN Ka-lok  
Hon CHAN Yuen-han, SBS, JP  
Hon Alice MAK Mei-kuen, JP

Dr Hon KWOK Ka-ki  
Dr Hon Fernando CHEUNG Chiu-hung  
Dr Hon CHIANG Lai-wan, JP  
Ir Dr Hon LO Wai-kwok, BBS, MH, JP

**Members attending** : Hon Ronny TONG Ka-wah, SC  
Hon Steven HO Chun-yin  
Dr Hon Helena WONG Pik-wan

**Members absent** : Hon Abraham SHEK Lai-him, GBS, JP  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon Kenneth LEUNG

**Public officers attending** : **Agenda item II**

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

Mr Thomas CHOW Tat-ming, JP  
Permanent Secretary for Development  
(Planning and Lands)

Mr Thomas CHAN Chung-ching, JP  
Deputy Secretary for Development  
(Planning and Lands)<sup>1</sup>

Ms Brenda AU Kit-ying  
Principal Assistant Secretary for Development  
(Planning and Lands)<sup>5</sup>

Ms Bernadette LINN, JP  
Director of Lands

Mr LAW Hin-wing, JP  
Assistant Director (Acquisition)  
Lands Department

Ms Phyllis LI  
Deputy Director of Planning/Territorial  
Planning Department

Ms Amy CHEUNG Yi-mei  
Acting Assistant Director/Territorial  
Planning Department

Mr WONG Ming-to  
Project Manager (New Territories North and West)  
Civil Engineering and Development Department

Mr LAW Man-tim  
Chief Engineer/Project Division 2  
(New Territories North and West)  
Civil Engineering and Development Department

**Agenda Item III**

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

Ms Winnie SO Chui-ying  
Principal Assistant Secretary (Planning & Lands)4  
Development Bureau

Ms Karen CHAN Pui-yee  
Assistant Director (Valuation)  
Lands Department

Mr Lawrence CHAN Sing-chow  
Senior Estate Surveyor (Valuation)  
Lands Department

Ms Winnie YEUNG Su-jung  
Housing and Quartering Officer  
Civil Service Bureau

**Attendance by  
Invitation**

**: Agenda item III**

張欽燦先生  
主席  
震旦大廈業主立案法團

Mr LAI Ting-hang  
召集人  
公務員建屋合作社重建權益關注小組

Ms FONG Suk-lin  
Representative  
The Incorporated Owners of Po On Building

Mr LEE Tak-chuen  
Chairman  
The Incorporated Owners of Shun Ning Court

吳炳耀先生

Mr Verdi C K KWAN

Mr WONG Kam-yee  
Chairman  
The Incorporated Owners of Thesaurus Court

Mr TSUI Man-yiu

Mr Roy TAM  
Spokesperson  
Green Sense

Dr Billy LEE Fook-pui  
President  
The Chartered Institute of Building (Hong Kong)

Mr CHEUNG Tak-wai

劉錦輝先生  
Representative  
靠背壟道93-101號業主立案法團

周耀雄先生

張林琦珍女士

劉錦明先生

賴祖德先生

顧女士

廖家興女士

林燕玲女士

莫美華女士

岑樹炳先生

唐金蘭女士

姚寶樞先生

李鎮波先生

黃森泉先生

黎玉鉗女士

鄭杜雪平女士

曾煜均先生

余其昌先生

王雅頤女士  
Representative  
塘尾道185-191號業主立案法團

謝麗珍女士

吳秀萍女士

張兆華先生

Sr Dr Lawrence POON  
Chairman of Housing Policy Panel  
The Hong Kong Institute of Surveyors

Mr CHUM Tak-shing  
Representative  
Hong Kong Association for Democracy and People's  
Livelihood

Mr Angus WONG  
Executive Officer  
Hong Kong Professionals and Senior Executives  
Association

Mr Ricky OR Yiu-lam  
Central Committee Member  
Democratic Party

**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

Ms Haley CHEUNG  
Clerical Assistant (1)6

---

Action

**I Information papers issued since the last meeting**

(LC Paper No. CB(1)1370/12-13(01) -- Administration's response to the letter dated 14 March 2013 from Hon James TO Kun-sun on the regulation of use of land in the rural areas in connection with a recent case involving the construction of two New Territories Small Houses in Shan Pui Village, Yuen Long (LC Paper No. CB(1)718/12-13(02))

LC Paper No. CB(1)1492/12-13(01) -- Administration's response to the letter dated 20 May 2013 from Hon Gary FAN Kwok-wai on purchase of "small house" interests by property developers (LC Paper No. CB(1)1113/12-13(01))

LC Paper No. CB(1)1507/12-13(01) -- Referral memorandum dated 3 July 2013 from the Public Complaints Office on issues relating to the North East New Territories New Development Areas Planning and Engineering Study)

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

## **II North East New Territories New Development Areas Planning and Engineering Study**

(LC Paper No. CB(1)1461/12-13(01) -- Administration's paper on North East New Territories New Development Areas Project

LC Paper No. CB(1)1461/12-13(02) -- Paper on the proposed North East New Territories New Development Areas prepared by the Legislative Council Secretariat (Updated background brief)

LC Paper No. CB(1)1509/12-13(01) -- Letter dated 10 July 2013 from Dr Hon Fernando CHEUNG Chiu-hung on a motion to be moved at the meeting on 15 July 2013)

2. The Chairman referred members to a letter from Dr Fernando CHEUNG to him (LC Paper No. CB(1)1509/12-13(01)), dated 10 July 2013, in which Dr CHEUNG had proposed to move a motion on the planning of the North East New Territories ("NENT") New Development Areas ("NDAs") at the meeting. He added that the letter had been circulated to members on 12 July 2013.

3. At the invitation of the Chairman, the Secretary for Development ("SDEV") briefed members on the progress of the NENT NDAs Planning and Engineering Study. He said that under the revised development proposal for the NENT NDAs project ("the Revised Proposal"), Kwu Tung North ("KTN") and Fanling North ("FLN") NDAs ("the two NDAs") would be developed as an extension to the Fanling/Sheung Shui New Town to form the Fanling/Sheung Shui/Kwu Tung New Town for effective sharing of resources. The Ping Che/Ta Kwu Ling ("PC/TKL") NDA would be reviewed and re-planned. The Administration would include PC/TKL in the planning of New Territories North ("NTN") in order to comprehensively review various relevant planning considerations, such as the development potential afforded by possible new rail infrastructure. He stressed that NENT NDAs were planned as new towns for Hong Kong people. The two NDAs together would supply a total of about 60 000 new flats including 36 000 subsidized housing units to accommodate a new population of about 170 000. For the some 1 000 households which would be affected by the proposed development, the Administration would strive to meet their needs

in terms of compensation, rehousing and agricultural rehabilitation. Taking into account the public views received during the Stage 3 Public Engagement exercise ("PE3"), the Administration maintained using the conventional new town ("CNT") approach as the primary mode for implementation for developing the two NDAs. At the same time, flexibility would be provided for modification of lease applications, which had to meet a set of criteria by specified deadlines having regard to the phased development of the NDAs. In the two NDAs, over 70% of land held by private land owners would be resumed by the Administration.

4. SDEV pointed out that there were misunderstandings about the vacancy rate of residential units in the territory and the amount of vacant land which could be used for residential development. He clarified that according to a survey conducted by the Rating and Valuation Department on the vacancy rate of residential units, the rate was 4.3% , i.e. 48 000 units, at a rather low level, as at end-2012. He advised that the figure of 4 000 hectares ("ha") of unallocated or unleased Government land, provided in response to Members' questions raised at a Legislative Council ("LegCo") meeting in October 2012, included sites which were small or irregular and considered not suitable for development. More information about the unallocated or unleased Government land and the maps concerned were available on the website of the Development Bureau ("DEVB"). If any of such land was found to be potentially suitable for residential or other developments, the Administration would review and assess its development feasibility under the established mechanism. On the suggestion to resume the land currently used as the Fanling Golf Course for housing development, he said that the Fanling Golf Course and the Chief Executive's Fanling Lodge would be included in the NTN Planning Study. The Home Affairs Bureau ("HAB") was also reviewing the policy on private recreational leases. If the Fanling Golf Course site was required for development, the Administration could resume the land under the relevant provisions in the land lease. However, the planning study for the development of the site, including conducting public engagement exercises, technical assessments and environmental impact assessments ("EIAs"), would take at least three years. As such, even if the Fanling Golf Course site was subsequently proved to be suitable for housing development, it was no substitute for the NENT NDAs project.

5. With the aid of a powerpoint presentation and with reference to the Administration's paper on the subject (LC Paper No. CB(1)1461/12-13(01)), Deputy Director of Planning/Territorial, Planning Department ("DD/Planning/Territorial"), Director of Lands ("D of L") and Permanent Secretary for Development (Planning and Lands) ("PS/DEV(P&L")) briefed

members on the key features of the Revised Proposal. DD/Planning/Territorial advised that the Administration had increased the development intensity for KTN and FLN NDAs by increasing the maximum total plot ratio to 6 for high-density developments. The proportion of subsidized housing to be provided in the two NDAs had been raised to 60% in terms of housing units, and 47% in terms of the housing land area. The "Hong Kong Property for Hong Kong People" ("HKPHKP") measure would be applied to private property developments in the two NDAs where appropriate. Besides housing, the two NDAs would offer new floorspaces for various other uses, such as commercial, office, retail and services, research and development and community uses, to provide about 37 700 employment opportunities.

6. D of L said that the Administration would adopt an enhanced CNT approach, with the Administration taking the lead in implementation, for developing the two NDAs. Applications for modification of lease (including in-situ land exchange) would be considered, provided that the specified criteria and conditions as detailed in Appendix 2 to the Administration's paper were met. She went on to brief members on the details about the compensation and rehousing arrangements for the clearers, including the proposed special ex-gratia compensation package introduced for eligible households in the two NDAs. The details were set out in Appendix 3 to the Administration's paper. PS/DEV(P&L) said that about 28 ha of active agricultural land within KTN and FLN NDAs would be affected. To further assist and facilitate the relocation of affected farmers, a special agricultural land rehabilitation scheme would be introduced. The Administration planned to commence the statutory planning procedures for the NENT NDAs project in the third quarter of 2013.

*(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members by email vide LC Paper No. CB(1)1542/12-13(01) on 15 July 2013.)*

7. The Chairman declared that he owned land in NENT and was a member of the Hong Kong Golf Club.

8. The Chairman reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of 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.

### Public response to the development proposal

9. Ms Emily LAU considered that the Revised Proposal had not responded to the public views collected during PE3, hence the subject would once again evoke great contention in society. She said that when the Administration consulted the Democratic Party ("DP") on the proposed project in early July, DP had stressed that agricultural rehabilitation/resite for the affected farmers was one of the key issues and the resite areas should not be far away from their original farmland. While the Administration should address the needs of the affected residents, there were complaints that the communication between the two sides was inadequate. Moreover, there was a strong view among the public that the Administration should first develop the large amount of vacant land in the territory before considering the NENT NDAs proposal. If the Administration did not agree that there was plenty of vacant land to be developed, it should provide the relevant details to convince the public. Ms LAU was concerned that the Administration's proposals on major works projects, such as the development of NENT NDAs, extension of landfills and reclamation outside Victoria Harbour, had repeatedly created conflicts in society during the past few months. She urged the Administration to strive to forge consensus in society on such proposals before proceeding with them. With the number of applicants on the waiting list for allocation of public rental housing ("PRH") units exceeding 220 000 and more than 170 000 people living in sub-standard conditions in sub-divided flats, she agreed that the need to increase housing land supply was imminent. However, any proposal to address this problem should be generally acceptable, in particular to those who would be directly affected.

10. SDEV reiterated that there was not a substantial quantity of vacant land readily available for housing development in the territory. Since there was a misunderstanding about the availability of some 4 000 ha of unallocated or unleased Government land, DEVB had uploaded the maps and information about the concerned sites on its website. The Administration kept an open mind to suggestions about suitable sites for housing development and had invited the public to make such suggestions. In view of the acute shortage of housing land, the Administration had adopted a multi-pronged approach to enhancing land supply. However, it was inevitable that some people would be affected in the process of development. He said that the Revised Proposal had already incorporated the public comments received in PE3 as far as practicable and the

Administration would continue to listen to any suggestions for other approaches which would minimize the impact of the proposed project on those affected. Some farmland would be affected because it was situated at the proposed town centre of the future NDAs or near the existing main traffic routes. These locations would be suitable for high-density housing development. SDEV appealed for the understanding of the affected residents and farmers. He assured members that he and the public officers of DEVB and the relevant departments would meet the affected residents and explain to them the Revised Proposal, including the compensation and rehousing arrangements.

*(Post-meeting note: At the request of the Panel, the Administration provided an information paper on increasing land supply vide LC Paper No. CB(1)1543/12-13(01), which was tabled at the special meeting on 22 July 2013.)*

11. Mr CHAN Chi-chuen said that the Administration should not use home ownership for young people to justify the NENT NDAs project. He observed that apart from the affected residents, the young people were the most vocal group opposing the project. They would not accept a proposal that would destroy the homes of others in exchange for their own early home ownership. In reply, SDEV said that the proposed project was not targeted at helping the young generation to own properties in the next one or two years. In fact the housing developments in the two NDAs would only be available for occupation 10 years from now. Though the development period for opening up new land was long, it was necessary to address the root of the housing problem by increasing housing land supply, in parallel with implementing demand-side management measures, in order to tackle the soaring property prices and improve the unsatisfactory living conditions of some Hong Kong people. The provision of about 60 000 flats, comprising some 36 000 public housing units (both PRH units and Home Ownership Scheme ("HOS") units), in the two NDAs, was more or less the Administration's targeted number of housing units to be supplied in one and a half years.

#### Agricultural rehabilitation

12. Mr Steven HO welcomed the Administration's efforts to develop NENT NDAs to meet the pressing housing demand. He expressed concern about the compensation for the affected farmers in the two NDAs and the development of agricultural industry in Hong Kong. He enquired if the Administration had reviewed the efficacy of the existing agricultural

rehabilitation scheme, as he noted that there were only a few successful cases every year with a few hundred applicants on the waiting list. He noted that the Administration had proposed a special agricultural land rehabilitation scheme ("the Special Scheme") to facilitate the relocation of farmers affected by the NENT NDAs project. He asked how the Administration could ensure that this scheme could help the farmers. Most of the 34 ha of fallow farmland in Kwu Tung South were owned by private land owners who would only be willing to lease out the land for farming on a short-term basis, say, one or two years. Even if the Administration could match up affected farmers with the land owners, the farmers would still have to make substantial investments in erecting temporary domestic structures and making the farmland productive. It was unfair to ask them to make such huge investments for a one- or two-year tenancy. As all the proposed development projects in the New Territories, such as NENT NDAs, Hung Shui Kiu NDA and the Study for Housing Sites in Yuen Long South, would involve resumption of farmland and agricultural rehabilitation arrangements, he suggested that the Administration should review its agricultural policy with a view to developing the local agricultural industry. In this connection, he recommended that an inter-departmental working group be set up to study the related issues.

13. SDEV said that the Administration would consider Mr HO's suggestion. He pointed out that DEVB would work closely with the Agriculture, Fisheries and Conservation Department ("AFCD") to facilitate agricultural rehabilitation for the farmers to be affected by the NDAs project. PS/DEV(P&L) supplemented that under the proposed Special Scheme, AFCD would accord priorities to lining up the farmers with the land owners who were willing to lease out/sell their farmland in NENT. Under the Revised Proposal, apart from the 95 ha of agricultural land in the two NDAs to be preserved, 103 ha of farmland in Kwu Tung South zoned "Agriculture" had been surveyed. About 34 ha of this land were lying fallow and suitable for rehabilitation purpose. The Administration would consider setting out in an Explanatory Note to the relevant outline zoning plan that such land could only be used for agricultural purposes in the long term. The land owners concerned would then well understand that development on their land would not be permitted in the future and should be more willing to lease out or sell their land to interested farmers on a long-term basis.

14. Mr Ronny TONG said there were some misleading statements in the Administration's paper. On agricultural rehabilitation, he noted that even though the 103 ha of land in Kwu Tung South zoned as "Agriculture" could facilitate the relocation of existing farmland, the affected farmers would

have to negotiate with the land owners on rental arrangements. If the land owners charged a high rental, it might be impossible for the affected farmers to continue their farming practices in NENT. He suggested that the Administration should consider resuming private fallow agricultural land in NENT and lease it out to the affected farmers at an affordable rent. He and Mr WU Chi-wai also queried whether the special ex-gratia cash allowance would be sufficient for the affected farmers to build temporary domestic structures at the resite area and re-establish their farming business.

15. Mr WU Chi-wai held the view that the Special Scheme was no replacement for a comprehensive agricultural policy, which the Administration should develop to guide the agricultural development in Hong Kong. He opined that, if the 103 ha of farmland in Kwu Tung South had a great potential to become an agricultural hub, the Administration should seriously consider resuming the land to facilitate the development of the local agricultural industry.

16. SDEV acknowledged that the NENT NDAs project would inevitably affect some farmers in the areas. The Administration would find suitable agricultural land in the vicinity of the NDAs for the affected farmers to continue their practices. Out of the 103 ha of agricultural land surveyed in Kwu Tung South, 34 ha were fallow agricultural land, of which only five ha were Government land. In other words, 29 ha of the fallow agricultural land identified in the area were private land. Under the proposed Special Scheme, the Administration would provide priority assistance to affected farmers to help them find land owners who were willing to lease out or sell their farmland. It was estimated that for the Advance Works Package of the NENT NDAs project, about 12.7 ha of active agricultural land would be affected. With the Administration's assistance and with the availability of 160 ha of land which had been found to be potentially suitable for agricultural rehabilitation in the vicinity of the proposed NDAs, it should not be too difficult for the concerned farmers to relocate their farms. The Administration would keep in view the results of the Special Scheme for the Advance Works Package of the development. He undertook to study members' suggestion about the resumption of private fallow farmland by the Administration for leasing to farmers but remarked that such resumption would deviate from the existing practice.

17. Mr CHAN Kam-lam sought the Administration's response to Mr Ronny TONG's comment that there were misleading statements in the Administration's paper. SDEV said that the information in the

Administration's paper was based on solid facts. He invited the relevant member to point out specifically any misleading statements.

18. Dr Fernando CHEUNG said that he had visited the residents in Kwu Tung and found that some residents who worked as farmers in the area had lived there for a few generations. He asked how the Administration would explain to these farmers and their families that their homes would be demolished and their long-established social network would be broken up for housing development, while the golf course in the vicinity for the enjoyment of a small group of people would remain intact. Dr CHEUNG added that these residents only noticed that their homes would be removed to make way for the NENT NDAs project at a very late stage, i.e. during PE3, in the third quarter of 2012.

19. SDEV said that in planning NENT NDAs, the Administration had endeavoured to minimize the number of residents and farmers to be affected by the project. The Administration would explain to the affected residents about the details of the proposed project, including the compensation and rehousing arrangements. Assistance would be provided to farmers on agricultural rehabilitation. Moreover, under the prevailing policy, affected genuine farmers could apply for a short-term waiver for building a temporary domestic structure up to two storeys on their new farmland. SDEV reiterated that he and other public officers from DEVB would meet the affected residents and listen to their views.

#### Implementation approach

20. Dr KWOK Ka-ki pointed out that at the Panel meeting on 30 October 2012, the Administration had said that it would adopt the CNT approach for implementing the NENT NDAs project. He queried why the Administration had succumbed to large property developers who had acquired and hoarded land in the two NDAs by making changes to the implementation approach. He asked the Administration about the amount of land that each of the three major property developers in Hong Kong had acquired in the two NDAs and whether their land fell within the areas designated for private development under the Revised Proposal. He cautioned the Administration that the Revised Proposal would give the public an impression that it was another instance of collusion between the Government and business conglomerates.

21. SDEV said that the accusation that the Revised Proposal was collusion between the Government and business conglomerates was entirely groundless. The Planning Department ("PlanD") had proposed the land use

of each site within the two NDAs taking into account its geographical location and the optimal layout for various land uses and infrastructural facilities without regard to the ownership of the land. Out of the 333 ha of developable land in the two NDAs, 162 ha were privately owned, of which 114 ha would be resumed by the Administration for public purposes. The owners of the remaining 48-ha private land could apply for modification of lease if their sites met specified criteria. The Administration was not in a position at this stage to estimate the number of land owners who would make such applications. The Administration also did not have information about the quantity of land that each developer had assembled in NENT.

22. Mr Albert CHAN said that the shortage in housing land supply had resulted from the Administration's nine measures to stabilize the property market in 2002. Members and political parties supporting these measures in the past were responsible for the present shortage in housing supply. Pointing out that under the Revised Proposal, most of the land in KTN planned for private development was held by a major property developer and the location of the future Kwu Tung Station was in the vicinity of the land held by this developer, he expressed grave concern that the Revised Proposal would give rise to public suspicion about collusion between the Government and property developers. The NENT NDAs proposal was seen to be unfair to local residents and farmers, tilted to the rich and the parties with vested interests. He queried the Administration's refusal to start soonest a study on using the Fanling Golf Course site for housing development. The People Power had made suggestions to the Administration on measures to increase housing land up to 1 400 ha in the next 10 years, including developing golf course sites, land occupied by military use such as the areas designated as firing ranges, but no feedback had been received.

23. SDEV said that at the Panel meeting on 28 June 2012, the then Secretary for Development had briefed members on the progress of the NENT NDAs Planning and Engineering Study. He quoted paragraph 25 of the minutes of the meeting that "to strike an appropriate balance among the interests of different sectors, Mr [Albert] CHAN enquired whether the Administration would consider inviting property developers/landowners to implement part of the NDAs project jointly with the Government and set a requirement of number of PRH flats to be produced by the private developers". SDEV held the view that if the enhanced CNT approach under the Revised Proposal would be perceived as collusion between the Government and property developers, Mr CHAN's remarks made in June 2012 could similarly be regarded as collusion. Under the enhanced CNT approach, the Administration had already set out a set of criteria that any

modification of lease for land in the NDAs had to meet. Allowing such applications would help advancing housing land supply and production without compromising comprehensive planning, certainty and timely provision of supporting Government, institution or community ("GIC") facilities, while safeguarding fair treatment to existing occupants on the private land concerned. He reiterated that PlanD had not considered who owned which piece of land in formulating the revised Recommended Outline Development Plan ("RODP") under the Revised Proposal. He further advised that the location of Kwu Tung Station was confirmed in 1998 and had become public information.

24. Mr Albert CHAN clarified that he had proposed at the June 2012 meeting that private developers should provide 30% of their land for public use. He queried why all the land planned for private development in KTN was owned by one property developer. SDEV reiterated that in the two NDAs, 162 ha of land were privately owned, of which 114 ha would be resumed by the Administration. Mr Albert CHAN was dissatisfied that SDEV had not answered his question. The Chairman remarked that it was not unusual that the Administration did not give clear answers to members' questions. Mr CHAN stated support for the Chairman's comment. SDEV requested to put on record that he disagreed to the Chairman's comment since the Administration had already provided the relevant facts and information in response to members' questions.

25. Mr WU Chi-wai said that the Administration should adopt the original CNT approach for the implementation of the NENT NDAs project as this would allay public concern about Government policies being tilted in favour of the private sector. Given that the former Secretary for Development had said that the CNT approach was the most suitable implementation approach for developing NENT NDAs at the Panel meeting on 28 June 2012, he queried why the present-term government had changed it to an "enhanced" CNT approach.

26. SDEV pointed out that at the Panel meeting on 28 June 2012, the former Secretary for Development had said, in response to members' enquiries, that whether some flexibility could be provided for private-sector participation in implementing the NDAs would depend on how such a mechanism could achieve the need for timely provision of housing supply, and how it would be perceived by the public. At the same meeting, some members pointed out that the Administration could only resume land for public purpose and were doubtful whether the Administration could re-sell resumed land for private housing development. After considering such

comments, the Administration decided to take the enhanced CNT approach which allowed in-situ land exchange and modification of land leases. Such practices had been adopted in the development of new towns in the past. The inclusion of a set of criteria under which any application for lease modification and in-situ land exchange in the two NDAs must meet could offer better protection for the occupants on the private land and ensure timely provision of housing supply from the private developments.

27. Mr CHAN Chi-chuen stated support for the original CNT approach as it would abate public concern about the transfer of benefits from the Government to private developers and would also discourage private developers from continuing to force the residents to leave their homes on the land the former had assembled in NENT. However, in his view, the "enhanced" CNT approach under the Revised Proposal was a quasi private-sector-participation approach. With reference to paragraph 13 of the Administration's paper, he said that the Administration had chosen the "enhanced" CNT approach because it could provide new housing supply within the shortest time. He was concerned that the impact of the speed of development on the local residents and farmers had not been considered. Moreover, despite the criteria set for modification of lease, large developers could still gain substantial profits from the project.

#### The Fanling Golf course

28. Dr KWOK Ka-ki pointed out that under the Revised Proposal, only about 101 ha of land in the two NDAs would be used for housing development but the Administration had repeatedly ignored the public's suggestion of developing the 170-ha Fanling Golf Course site, which was used by only some 2 500 club members. Hong Kong people were dissatisfied with the Administration's inaction. Noting that the first batch of population intake for the two NDAs would only take place as late as 2022, Dr KWOK asked about the time required for planning and developing the Fanling Golf Course site for housing.

29. SDEV responded that the proposal to develop the Fanling Golf Course site for housing was only raised during PE3, i.e. in the third quarter of 2012. The fact that the site had an area of 170 ha did not mean that it could accommodate the 101 ha of housing land planned for the two NDAs. In planning the development of a new town, it was necessary to provide the necessary infrastructure, community facilities, commercial and business areas that could provide job opportunities and green areas for a quality living. He drew members' attention to the fact that the total area of the two

NDA was 614 ha, of which 333 ha were developable area, including 101 ha of land suitable for housing development. SDEV reiterated that the Fanling Golf Course and the Chief Executive's Fanling Lodge would be included in the NTN Planning Study to be launched in the first half of 2014. According to past experience, the development of such a large area would require a planning study, EIAs and other technical assessments, such as those relating to traffic and infrastructure provision. The technical studies for NTN might take more time as there were stringent requirements on the sewerage systems in the area in view of the high ecological value of Deep Bay. All these studies, including PE exercises, would take at least three years. He reiterated that the Fanling Golf Course site was absolutely not a substitute for NENT NDAs.

30. With the aid of a video presentation showing the environment of the Fanling Golf Course site and Ma Shi Po Village in Fanling, Mr Gary FAN presented his views that the Administration should resume the site. He pointed out that there was a provision in the land lease that the Administration could take back the land by giving a 12-month notice to the grantee. The resumption of the site would obviate the need for developing NENT NDAs so that the organic and community farms and the homes of thousands of villagers could be retained. He added that there were more than 10 000 ha of land in Hong Kong that could be considered for housing development, including brownfield sites, land zoned "Village Type Development", military sites, etc., hence NENT NDAs were completely unnecessary.

*(Post-meeting note: A soft copy of the video presentation materials was circulated to members by email vide LC Paper No. CB(1)1538/12-13(01) on 2 September 2013.)*

31. In reply, SDEV said that he hoped the public would be reasonable and fair when discussing NENT NDAs and the Fanling Golf Course site. It was not in the interests of Hong Kong people to put these two issues on opposing sides. Without a comprehensive planning and technical studies on the development of the Fanling Golf Course site, he doubted if it was a responsible act to resume the site by giving a 12-month advance notice and leave it idle for years. He supplemented that, after the suggestion of developing the site for housing had been raised in August/September 2012, the Administration had already informed the Hong Kong Golf Club that a plant nursery site of 1.5 ha currently leased to the Golf Club on short-term tenancy and located near the Golf Course would not have the tenancy extended but would be taken back by Government for sale. The 1.5-ha site

had already been included in the current year's Land Sale Programme. He highlighted that the Administration should approach every suggestion on land development in a sensible, reasonable and lawful manner. The Administration had listened to the public's suggestion on the use of the Golf Course site and taken appropriate follow-up action.

32. Mr WU Chi-wai said he was disappointed that the Administration had not shown any determination to solve the political issues associated with the NENT NDAs project. In his views, those issues must be resolved before the Administration took forward any development proposals. It would be unwise to demolish the homes of existing residents in the two NDAs before their demands were met. Despite that the Administration would include the Fanling Golf Course site in the NTN Planning Study, the public were still dubious whether it was the Administration's delay tactic to alleviate the public's discontent on the NENT NDAs project. He asked if the Administration would consider notifying the Hong Kong Golf Club that the Fanling Golf Club site would be resumed after the current land lease expired in 2020. The Administration should also inform the public about the notification. SDEV reiterated that the site had been included in the NTN Planning Study area. He advised that HAB had also started a study of the issues related to private recreational leases. As such, it was premature to make a decision on the use of the site before the completion of these two studies.

33. Mr CHAN Chi-chuen said that the Administration should not regard the demands of the affected residents and farmers in the two NDAs as merely matters about compensation. Increasing the compensation would not help address their concerns. The affected residents he had met considered the NENT NDAs development an act of injustice and queried whether there was no alternative option which would have less impact on existing residents. Against this background, the public had proposed the alternative of developing the Fanling Golf Course site. He was disappointed that the Administration had, as a response to this proposal, only resumed a 1.5-ha plant nursery site from the Hong Kong Golf Club. He said that the Administration was perceived by the public to be protecting the interests of the Hong Kong Golf Club and asked the Administration to provide the names of senior Government officials who were members of the Club.

*(Post-meeting note: The Administration's response was circulated to members on 22 October 2013 vide LC Paper No. CB(1)124/13-14(01).)*

34. SDEV said that when planning the NDAs project, the Administration was mindful that compensation alone would not meet the aspirations of the affected residents. The Administration had considered the needs of the affected residents and farmers from other perspectives. For instance, under the enhanced CNT approach, a criterion to be met for applications for modification of land lease by land owners was that they must offer land occupants a compensation package that was comparable to the prevailing monetary ex-gratia compensation that would be granted by the Administration to other eligible clearerees affected by the NENT NDAs project in the case of land resumption. This requirement would enhance the protection of the occupants. The Administration welcomed any alternative proposal to the Revised Proposal if it could minimize the number of people affected and would be seen to be more just and fair. He added that the repossession of the 1.5-ha site previously used by the Hong Kong Golf Club as plant nursery showed that the Administration never hesitated to take necessary action for housing land development. He advised that he was not a member of the Hong Kong Golf Club.

#### Development features

##### *Integration of new and old areas*

35. Mr CHAN Hak-kan welcomed the increased proportion of public housing under the Revised Proposal and the Administration's undertaking to apply the HKPHKP measure to private residential sites in the KTN and FLN NDAs, subject to the property market situation prevailing at the time when the sites were ready for disposal and other relevant conditions. He noted that the two NDAs would be developed as an extension to the Fanling/Sheung Shui New Town to form the Fanling/Sheung Shui/Kwu Tung New Town, which was planned as an integrated community providing a wide range of facilities as well as employment opportunities. However, he was concerned that the new population in the NDAs would aggravate the already congested pedestrian and vehicular traffic in Shek Wu Hui and Luen Wo Hui and cause great inconvenience to the residents of both the existing areas and the NDAs. He urged the Administration to upgrade the traffic and community facilities in the developed areas in Fanling and Sheung Shui, including Shek Wu Hui and Luen Wo Hui. DD/Planning/Territorial advised that integration of old and new areas was one of the design features of the NDAs. The new community, medical, open space and amenities facilities in the NDAs and improvements in the transport network would enhance the public services provided to residents of the developed areas in Fanling and Sheung Shui. There would be an integrated urban design framework of the whole new

town, providing a good quality urban environment as well as adequate internal and external connectivity.

### *Housing mix*

36. Referring to page 21 of the Information Digest on the Revised Proposal (Enclosure 2 to the Administration's paper), Mr CHAN Hak-kan said the proposed development of 16 PRH buildings near Tin Ping Shan Tsuen, appearing to be an over-concentration of such buildings in an area, would repeat the planning blunder in Tin Shui Wai in respect of insufficient provision of education facilities, employment opportunities and transportation. He asked the Administration to review if the public-private housing mix at that area was appropriate.

37. DD/Planning/Territorial advised that in order to provide more public housing units in the two NDAs to help meet the demand for public housing, an appropriate increase in the proportion of public housing in the two NDAs was necessary. However, there was room to adjust the ratio between PRH and HOS units. The Administration noted Mr CHAN's concerns and would work out an appropriate PRH-HOS ratio during the detailed planning for the public housing sites.

38. Mr IP Kwok-him said that Hong Kong was in need of land for housing and other developments. At this stage, when concrete proposals on the development of NENT NDAs had been drawn up after more than 15 years' discussion, he was concerned about the comments of some members and the public that had labeled NENT NDAs as a backyard for rich Mainlanders and had put villagers and the users of the Fanling Golf Course on opposing sides. He opined that such comments would further split the society. Taking into consideration that the Administration had already included the Fanling Golf Course site and CE's Fanling Lodge in the NTN Planning Study, he did not support Dr Fernando CHEUNG's motion which urged the Administration to include the Fanling Golf Course site in the planning of the NENT NDAs and to conduct consultation afresh thereafter. Moreover, there was a new public housing development, i.e. Ching Ho Estate Phase II, in the vicinity of the Golf Course. Sharing Mr CHAN Hak-kan's view that there might be an over-concentration of PRH development near Tin Ping Shan Tsuen, Mr IP pointed out that there seemed to be a lack of land for other facilities or development in the area except a large refuse collection point. He suggested that the Administration should review the planning for the area.

39. SDEV said that in planning the two NDAs, considerations had been given to a balanced development over the entire area of an NDA rather than a small area. Under the Revised Proposal, the public-private housing ratio in the two new NDAs was 60:40, similar to that in the existing Fanling/Sheung Shui New Town. As far as public housing in the two NDAs was concerned, the PRH-HOS ratio assumed for the purpose of technical assessments was about 6:1. There was flexibility to adjust this ratio, subject to the changing need of the society over the 10-year development period of the NDAs.

*Development intensity*

40. Mr CHAN Kin-por commended the Administration for adjusting the NENT NDAs proposal in a short time in response to public views received during PE3, in particular the increase in the population intake and the proportion of public housing. He considered that some members had put the Administration in a very difficult position. They had, on one hand, requested the Administration to increase housing supply but, on the other hand, unreasonably criticized a development proposal which aimed at increasing housing supply in the long run. He opined that the members who had criticized the proposal should give constructive suggestions to improve it. Mr CHAN asked the Administration to reconsider whether the proposed population size and development intensity for the two NDAs were too high and whether there would be sufficient employment opportunities for the new population.

41. SDEV said that in the two NDAs, the maximum proposed plot ratio was 6, which was similar to the development intensity at Whampoa Garden and should be considered acceptable. It would be undesirable to adopt a plot ratio as high as 8, which was the development intensity at Tin Shui Wai, for the two NDAs. Near Ng Tung River, the plot ratio would be decreased to 2 to 3.5. A stepped building height profile would be adopted with the sites of the highest plot ratio clustering around Kwu Tung Station and public transport interchanges, with decreasing building height spreading to the periphery of the NDAs. It was envisaged that 37 700 job opportunities would be provided in the NDAs. While the figure might not be sufficient for the new population intake in the two NDAs, it should be noted that a majority of the population in the NDAs would reside within 500 metres of Kwu Tung Station or a public transport interchange. They would have good and easy accessibility to public transport nodes for travelling to work outside the two NDAs, such as the Lok Ma Chau Loop Area which would offer 29 000 jobs. The transport network in the two NDAs would also facilitate the residents who needed to travel to work in the Mainland.

*Supporting infrastructure and facilities*

42. Mr CHAN Kam-lam said that the development of Hong Kong in recent years had been stalled due to a number of judicial reviews on works projects, as well as some public criticisms that certain development projects were collusion between the Government and business conglomerates. In his view, the Revised Proposal had already incorporated a lot of public views on the NENT NDAs project after years of discussion and public consultation. Even if the Revised Proposal could proceed as planned, the first batch of population intake would only start 10 years from now. The criticism that the proposed project was intended as a backyard for rich Mainlanders would only delay the project and was not in the interests of Hong Kong people. He did not support Dr Fernando CHEUNG's motion as fresh consultation would mean further delaying the project for at least five years. As regards the implementation of the project, he said that a new town had to be supported by various infrastructure and community facilities, the provision of which would involve inter-departmental coordination. He observed that, in the past, there had been cases that the infrastructure and community facilities had not been completed timely to meet the needs of the residents. He proposed that SDEV should solicit the cooperation from the concerned bureaux and departments for timely delivery of the various infrastructure and community facilities in the two NDAs. SDEV thanked Mr CHAN for his suggestion and undertook to follow up as appropriate.

*Location of Kwu Tung Station*

43. Mr CHAN Chi-chuen noted the Administration's explanation that some villagers' homes in KTN had to be demolished for high-density residential development as they were near the proposed Kwu Tung Station. He asked the Administration to confirm that it had no intention to change the clearance plan because the location of Kwu Tung Station had been fixed in 1998 and the Station had in fact been built. In reply, SDEV said the location of the proposed Kwu Tung Station had become public information since it was confirmed in 1998. Subsequently, under the NENT NDAs Study, the development proposal had undergone thorough public discussion through three stages of PE. In response to public comments received in the PEs, the Administration had revised the RODP but there were some fundamental guidelines that the planning for the NDAs had to adhere to, such as locating the town centre near the railway station or public transport interchanges.

Meeting arrangements

44. The Chairman said that he would deal with Dr Fernando CHEUNG's motion at 10:55 am, as the next item to receive public views on "Issues related to the Redevelopment of Civil Servant Quarters developed under the Civil Servant Co-operative Building Society Scheme" would start at 11:15 am and more than 40 deputations and individuals would arrive in a short time. The Panel would continue the discussion on the Revised Proposal with the Administration at a special meeting to be held on 22 July 2013. At members' request, the meeting agreed that, at the special meeting on 22 July, the Panel would first discuss "North East New Territories New Development Areas Planning and Engineering Study", to be followed by "Proposed Enhancements to the General Ex-gratia Compensation and Rehousing Arrangements for Development Clearance Exercises".

*(Post-meeting note: Members were informed of the above meeting arrangements on 16 July 2013 vide LC Paper No. CB(1)1543/12-13.)*

#### Compensation and rehousing arrangements

45. Mr CHAN Kin-por sought the Administration's elaboration on SDEV's discretion to decide whether a household not meeting all the relevant criteria would be eligible for the special ex-gratia compensation package. He was concerned that some people who did not know much about the compensation arrangements would be cheated into buying squatter structures in the proposed NDAs, with the hope that they would be compensated or rehoused.

46. D of L explained that the NENT NDAs special ex-gratia compensation package would only apply to "licensed" temporary structures or "surveyed" (registered) domestic squatter structures covered by the 1982 Squatter Structure Survey. Besides the occupiers of "licensed" structures, the households living in "surveyed" structures who had been registered in the 1984/85 Squatter Occupancy Survey would be entitled to the special ex-gratia cash allowance up to \$600,000. The Administration would not offer any compensation to occupiers of unlicensed and unregistered structures. For SDEV's discretion, the guiding reference was that a household continuously occupying in a licensed or surveyed domestic or non-domestic structure for domestic use for 10 years or more immediately preceding the date of the pre-clearance survey might be eligible, with suitable adjustment to the amount.

47. Referring to the "Cottage House Option" as an alternative to the existing rehousing arrangement for residents of Chuk Yuen Village affected by the implementation of the Liantang/Heung Yuen Wai Boundary Control Point and Associated Works project, Mr CHAN Hak-kan asked if a similar option would be offered to the local residents affected by the NENT NDAs project. In reply, SDEV remarked that there was no "Cottage House Option" for the affected residents. PS/DEV(P&L) added that both the indigenous and non-indigenous residents of Chuk Yuen Village were long-term residents of the village, which was situated in the Frontier Closed Area. They had expressed a strong desire to continue to reside together to maintain the traditional and historical social ties and coherence of the village community which would be otherwise destroyed. Furthermore, there was suitable private agricultural land adjoining the Chuk Yuen Resite Area available for Village Type Development. It was against this background that the Administration had offered non-indigenous residents the "Cottage House Option" to build domestic structures on a "structure-for-structure" basis. Given that the special considerations for the case of Chuk Yuen Village were not present in the two NDAs, the "Cottage House Option" would not apply.

#### Protection for existing residents from being evicted

48. Ms Emily LAU said that she had relayed to the Administration the plight of the existing residents in the proposed NDAs who were forced to move out by land owners as a result of the Administration's development proposals yet the Administration had not offered them any help. In response, SDEV advised that any land owner who applied for lease modification for land lots in the two NDAs would be required to offer a compensation package to the occupants who existed on the land on 4 July 2013, the date of announcement of the criteria for application of modification of lease in respect of the NENT NDAs project, and the package should be comparable to the prevailing monetary ex-gratia compensation offered by the Administration to other eligible clearances affected by the NDAs development and provided before the execution of the lease modification/land exchange. He considered that these requirements would offer good protection for existing occupants.

#### Residential care homes for the elderly at Dills Corner Garden

49. Pointing out that existing residential care homes for the elderly ("RCHEs") at Dills Corner Garden in KTN were providing more than 1 000 places for the elderly in a serene and rural environment, Mr CHAN Han-ban expressed concern that these RCHEs would be removed for the

implementation of the NDAs project and enquired about the arrangements for the elderly people who were presently staying at these RCHEs. He had written to SDEV conveying his concern on the subject.

50. PS/DEV(P&L) said that the RCHEs at Dills Corner Garden were private homes. As these homes would be affected by the NDAs project, DEVB would liaise with the Social Welfare Department ("SWD") on the transfer of the elders with subsidized residential care services ("RCS") places to other RCHEs should they so request. For those elders without subsidized RCS places, if they had difficulties in finding places in other institutions, they could seek SWD's assistance. SWD would contact the operators of the RCHEs in Dills Corner Garden to discuss the arrangements and ensure that the impact of the clearance of the area on the elders would be minimized.

51. Mr CHAN Han-ban noted from pages 28 and 29 of the Information Digest on the Revised Proposal that the site of Dills Corner Garden was planned for GIC use, including the provision of social welfare facilities. He enquired whether the existing RCHEs would be redeveloped in-situ or at other sites in the two NDAs. PS/DEV(P&L) said that depending on the development timeframe for the NDAs project, RCHEs might be developed at the future GIC site or at other sites which had been planned for GIC use. Mr CHAN requested the Administration to consider providing RCHEs in the two NDAs as many elderly people had lived in the areas for a long time and had a special affiliation to the areas.

52. Dr Fernando CHEUNG expressed dissatisfaction about the Administration's reply on the arrangements for RCHEs in Dills Corner Garden as it had not put forward any concrete plan and timetable. He cautioned the Administration that it should not create false expectation that the existing RCHEs could be redeveloped in-situ or at other sites in the KTN NDA.

#### Handling of Dr Fernando CHEUNG's motion

53. In view of time constraints, the Chairman sought members' views on the handling of the motion on the NENT NDAs project to be proposed by Dr Fernando CHEUNG. He reminded members that the discussion on the subject would continue at the next meeting to be held on 22 July 2013. Mr James TO suggested and members agreed that Dr CHEUNG's motion be dealt with after the completion of the discussion on the subject at the next meeting.

[*The Chairman ordered a break of 10 minutes.*]

[*The meeting resumed at 11:23 am.*]

**III To receive views on issues related to the redevelopment of civil servants' quarters developed under the Civil Servants Co-operative Building Society Scheme**

(LC Paper No. CB(1)849/12-13(01) -- Administration's response to the letter dated 18 March 2013 from Dr Hon CHIANG Lai-wan, Hon Starry LEE, Hon CHAN Hak-kan, Hon LEUNG Che-cheung and Hon Christopher CHUNG on the redevelopment of civil servants' quarters developed under the Civil Servants Co-operative Building Society Scheme (LC Paper No. CB(1)751/12-13(01))

LC Paper No. CB(1)1077/12-13(06) -- Paper on Civil Servants' Co-operative Building Society Scheme prepared by the Legislative Council Secretariat (Background brief)

Relevant paper

LC Paper No. CB(1)751/12-13(01) -- Letter dated 18 March 2013 from Dr Hon CHIANG Lai-wan, Hon Starry LEE, Hon CHAN Hak-kan, Hon LEUNG Che-cheung and Hon Christopher CHUNG on the redevelopment of civil servants' quarters developed under the Civil Servants Co-operative Building

Society Scheme)

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

- (LC Paper No. CB(1)1431/12-13(14) Submission from Ms 鮑陳廣瑞, an occupant of a CBS building\*, dated 23 June 2013
- LC Paper No. CB(1)1431/12-13(15) -- Submission from Mr CHENG Pei-tak, an owner of a CBS building\*, dated 20 June 2013
- LC Paper No. CB(1)1431/12-13(16) -- Submission from an occupant of a CBS building\* (歐陽銘昌) dated 22 June 2013
- LC Paper No. CB(1)1431/12-13(17) -- Submission from a deputation (樂園大廈業主立案法團) dated 23 June 2013
- LC Paper No. CB(1)1431/12-13(18) -- Submission from a deputation (百福大廈業主立案法團) dated 23 June 2013
- LC Paper No. CB(1)1431/12-13(19) -- Submission from a deputation (Jasper公務員建屋有限責任合作社) dated 25 June 2013
- LC Paper No. CB(1)1431/12-13(20) -- Submission received from an occupant of a CBS building\* (范太) on 25 June 2013
- LC Paper No. CB(1)1431/12-13(21) -- Submission received from The Hong Kong Institute of Planners on 26 June 2013
- LC Paper No. CB(1)1431/12-13(22) -- Submission from Ms YUE Shin-man, an occupant of a CBS building\*, dated 27 June 2013
- LC Paper No. CB(1)1431/12-13(23) -- Submission from Mr CHEUNG Shiu-sun, an occupant of a CBS building\*,

- dated 27 June 2013
- LC Paper No. CB(1)1431/12-13(24) -- Submission from The Splendid Co-operative Building Society Ltd. dated 27 June 2013(*restricted to Panel members*)
- LC Paper No. CB(1)1431/12-13(25) -- Submission from Mr TSANG Wang-kit, an occupant of a CBS building\*, dated 1 July 2013
- LC Paper No. CB(1)1431/12-13(26) -- One of eight submissions of the same content received from occupants of CBS buildings\*
- LC Paper No. CB(1)1431/12-13(27) -- One of 17 submissions of the same content received from occupants of CBS buildings\*
- LC Paper No. CB(1)1431/12-13(28) -- One of 25 submissions of the same content received from occupants of CBS buildings\*
- LC Paper No. CB(1)1547/12-13(01) -- Submission from members of the public (郭鈺基 and 黃群英)
- LC Paper No. CB(1)1547/12-13(02) -- Submission from a member of the public (譚羅紫雲)
- LC Paper No. CB(1)1547/12-13(03) -- Submission from a member of the public (霍麗嫦))

\* *CBS buildings refer to buildings/civil servants' quarters developed under the Civil Servants Co-operative Building Society Scheme*

#### Welcoming remarks by the Chairman

54. The Chairman welcomed the Administration and deputations to the meeting for exchange of views on issues related to the redevelopment of civil servants' quarters developed under the Civil Servants Co-operative Building Society Scheme ("CBS Scheme"). He suggested that each deputation be given three minutes to present his/her views. Afterwards, he would invite Panel members to express their opinions on the subject. The Administration would then respond to the views given by deputations and members. Members raised no objection to the arrangements.

55. The Chairman reminded the deputations that when addressing the Panel during the meeting, they were not covered by the protection and immunity under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) and their written submissions were also not covered by the said Ordinance.

#### Presentation by deputations

56. At the invitation of the Chairman, the deputations presented their views on issues related to the redevelopment of CBS buildings. A summary of deputations' views is given at the **Appendix**.

#### Discussion

57. The Chairman drew members' attention to a motion, tabled at the meeting, proposed by Dr CHIANG Lai-wan, on the subject under discussion.

#### *Redevelopment of civil servants' quarters developed under the Civil Servants Co-operative Building Society Scheme*

58. Mr Albert CHAN said that the Administration should help former members of dissolved CBSs ("CBS flat owners") resolve the difficulties they encountered in redeveloping CBS buildings as soon as possible and it might be necessary to introduce legislative amendments to the relevant ordinances. He called upon the deputations to put forward concrete proposals for the Administration's deliberation. In his view, some of the options might be: (a) demutualization of CBSs; (b) reforming the CBS Scheme with reference to the mechanism for land premium payment under the Home Ownership Scheme; and (c) existing and dissolved CBSs to form a company to work out plans and financial arrangements for the redevelopment of CBS buildings.

59. Dr CHIANG Lai-wan said that the views expressed by the deputations clearly indicated that the elderly occupants of CBS buildings were keen to move out from their flats, which had turned from housing benefits to nightmares. The lack of lift facilities in CBS buildings had compelled the flat owners who were unable to walk up and down the staircase to move out to live in rented flats or relatives' homes. As CBS flat owners were not allowed to lease out their units, they left their flats vacant, thereby creating a situation that CBS buildings had a high vacancy rate while many Hong Kong people had great difficulties in finding a place to live in. Dr CHIANG opined that instead of finding an across-the-board solution, the Administration or other relevant authorities such as the Urban Renewal

Authority ("URA") or the Hong Kong Housing Society might consider helping the flat owners resolve the problem progressively, i.e. to pursue redevelopment of individual CBS buildings on a case-by-case basis having regard to their individual circumstances. She did not subscribe to the view that the Administration's participation in redevelopment of CBS buildings would give rise to collusion between the Government and businesses.

60. Miss CHAN Yuen-han said that the CBS Scheme, which had been launched in 1952, and the relevant legislation should undergo a comprehensive review. Given that the Administration had been actively sourcing housing land and most CBS buildings were low-density developments, Miss CHAN urged the Administration to give a high priority to redeveloping CBS buildings with a view to releasing the development potentials of the land concerned as well as providing a way out for CBS flat owners, in particular the elderly occupants who were compelled to move out because there were no lifts in the buildings, who had difficulties in redeveloping their buildings. She did not agree to the Administration's position that the responsibilities for redeveloping CBS buildings vested in the flat owners and they should engage private developers or URA in the redevelopment. She opined that the foremost action for the Administration on this issue was to amend the relevant legislation. The Administration should work out a solution that was acceptable to CBS flat owners, the Administration as well as the general public, and then put it forward for discussion with the Panel in October 2013. The Chairman asked the Administration to note Miss CHAN's suggestion.

61. Mr Alan LEONG opined that redeveloping CBS buildings would achieve multi-purposes, i.e. to meet the aspirations of CBS flat owners, to release the development potentials of the land concerned and to increase the supply of housing land in the urban area. He called upon the Administration to work out a complete solution and discuss it with the Panel as early as possible.

62. Ms Cyd HO acknowledged that there were a number of difficulties faced by CBS flat owners, in particular the elderly, including the lack of lift facilities in their buildings, the prohibition on leasing out their flats, the high land premiums to pay before they could sell their flats, etc. She considered that the Administration should make reference to the compensation and "flat-for-flat" arrangements for the CBS members affected by the redevelopment of a cluster of CBS buildings at Pokfulam Road (now Belcher's Garden) and engage CBSs in working out a mutually acceptable solution. Ms HO echoed the view of the Hong Kong Institute of Surveyors

that it might not be necessary for the Administration to demand the payment of land premium from CBS flat owners for redevelopment of CBS buildings, as the concession on the land premium granted in earlier years should be an employment-tied benefit offered to CBS members when they were serving civil servants.

63. Mr LEUNG Kwok-hung opined that the Administration should make it clear why it required CBS members to pay land premiums for redevelopment of their buildings, having regard to the fact that such a requirement had not been specified in the relevant agreement made with CBSs in earlier years when the land lots concerned were granted to them. Mr LEUNG noted that the deputations had emphasized that they were not seeking a fortune from redeveloping CBS buildings but only wished to have a reasonable living environment. He urged the Administration to engage CBS members in finding a solution for the access problem and deterioration problem of their buildings. He held the view that a policy should be drawn up to facilitate the redevelopment of CBS buildings across the board rather than tackling the problem on a case-by-case basis. Consideration might also be given to providing hostels for the elderly occupants of CBS buildings after obtaining their consent to redeveloping their buildings.

*Response by the Administration*

64. At the invitation of the Chairman, Deputy Secretary for Development (Planning and Lands) 2 ("DS/DEV(P&L)2") gave a consolidated response to the views expressed by deputations and members as follows --

- (a) He noted the concerns expressed by the deputations that CBS buildings were built many years ago and did not have modern-day building facilities and were in dilapidated condition; and most CBS flat owners could not afford the necessary repair or renovation costs. He also noted the deputations' concern that they could not pay the land premium required before the buildings could be redeveloped. CBS flat owners requested that the Administration should grant concession or waiver of land premiums so as to expedite the redevelopment of their buildings.
- (b) As pointed out by the Secretary for Development at the Panel meetings on 28 May 2013 and 25 June 2013, redevelopment of CBS buildings had a history of complex policy and technical issues which were not easy to resolve within a short time. The

Development Bureau, in collaboration with the Civil Service Bureau and other relevant departments, had been actively exploring possible solutions. In drawing up any proposed solution, the Administration would take into account the justifications for such a proposed solution, the implications of it on other policies and whether the proposal could uphold impartiality.

- (c) So far, 11 out of the 177 dissolved CBSs had their buildings redeveloped by private developers. These successful cases showed that private-sector participation was a feasible approach to redeveloping CBS buildings.
- (d) To address CBS members' wish to transfer legal titles from CBSs to individual CBS members in the 1980s, the Administration had set out the arrangements for the dissolution of CBSs and the payment of land premium for removing the related alienation restrictions on redevelopment of the land involved. There was also an established mechanism for the Lands Department to follow in the assessment of the land premiums payable. These mechanisms had all along been working effectively in accordance with the deeds of assignment and the lease conditions. As at the end of June 2013, more than 1 400 CBS flat owners had already paid the required land premium to remove the related alienation restrictions. Any proposed changes to the existing mechanisms required careful deliberation.
- (e) The Administration remained open-minded over how to facilitate the redevelopment of CBS buildings and would continue to communicate with the relevant stakeholders with a view to working out feasible solutions to address the issue. The Administration did not agree with the view that CBS members were seeking a fortune through redevelopment.

65. As regards the litigation between the Hong Kong Government and some CBSs in 1994 as mentioned by some deputations at the meeting, DS/DEV(P&L)2 said that at that time, 20 CBSs filed an application with the Supreme Court of Hong Kong to demand the then Hong Kong Government to withdraw the land premium requirement on the dissolution of CBSs and the sale of CBS flats. On the day of the hearing, the legal representatives of the two parties had made their representations to the Court. The case was

finally settled out-of-court. The legal representative of the then Hong Kong Government had stated that the Government had all along been acting lawfully and reasonably in demanding the payment of land premium in accordance with the relevant lease conditions.

*Remarks of the Chairman*

66. The Chairman opined that in the light of the changing needs and aspirations of the society, the Administration should adopt a new line of thinking. The absence of precedents was not an excuse for rejecting change, since precedents were to be created. Miss CHAN Yuen-han shared the Chairman's view that the Administration should break away from its old thinking. She reiterated her disagreement to the Administration's position that the redevelopment of CBS buildings was a matter for the CBSs and the private developers.

*Motion*

67. The Chairman drew members' attention to a motion on the redevelopment of CBS buildings proposed by Dr CHIANG Lai-wan, seconded by Ms Cyd HO and tabled at the meeting. He ruled that the motion was directly related to the agenda item under discussion and invited the members present to consider whether it should be proceeded with. Members agreed to proceed with the motion and put it to vote. The wording of the motion was as follows:

(Translation)

"Given that buildings developed under the Civil Servants Co-operative Building Society Scheme are old and require frequent maintenance, they have added to the burden of the residents; and as lifts are not installed in such buildings, it is difficult for elderly residents to go either upstairs or downstairs and it is unsuitable for them to live there. As a result, they can only live somewhere else temporarily by renting a place or lodging in somebody else's home, thereby creating a situation in which they are actually unable to go back to their own homes. As it is required that CBS flat owners should not rent out their flats, the vacancy rate of such flats is very high at present, and have given rise to a situation in Hong Kong in which flats are left vacant while people do not have a place to live in. On the other hand, the Government is facing problems about land supply, especially in urban areas.

In this connection, this Panel urges the Government to launch re-development programmes for buildings developed under the Civil Servants Co-operative Building Society Scheme immediately so as to increase land supply in urban areas; and to submit feasible proposals acceptable to both sides in six months."

68. Of the 15 members (including the Chairman) present, 14 members voted for the motion. The Chairman did not vote.

69. The Chairman declared that the motion was carried.

#### **IV Any other business**

70. There being no other business, the meeting ended at 1:45pm.

Council Business Division 1  
Legislative Council Secretariat  
11 November 2013

### Panel on Development

Meeting on Monday, 15 July 2013 at 9:00 am

To receive views on issues related to the redevelopment of  
civil servants' quarters developed under the Civil Servants Co-operative Building Society Scheme

Summary of views and concerns expressed by deputations/individuals

No.	Name of deputation/individual	Major views and concerns
1.	震旦大廈業主立案法團	<ul style="list-style-type: none"> <li>● The building where he resided at was old and without lift facilities, hence posing access problems to the aged occupants who could no longer walk up and down the staircase.</li> <li>● The Administration should expedite the implementation of the initiative announced in the 2013 Policy Address to lift the development restrictions in Pokfulam, where the building was located, so that developers would have stronger incentives to take up the redevelopment of CBS buildings in the area.</li> </ul>
2.	余其昌先生	<ul style="list-style-type: none"> <li>● As the CBS building where he originally resided at was not provided with lifts and he, at the age of 92, could not walk up and down the staircase, he was compelled to move to a temporary accommodation in the New Territories.</li> <li>● He wished that he could have an accommodation where lifts were available.</li> </ul>

3.	塘尾道185-191號業主立案法團	<ul style="list-style-type: none"><li>● The circular entitled "Secretariat Standing Circular No. 9" issued by the Colonial Secretariat on 11 June 1956 ("SSC9") only specified that sale of CBS buildings was prohibited until the loan to CBS members was repaid. The maximum period for repaying the loan was 20 years. Other than this, there was no restriction on sale of CBS buildings. Not until 1980s did the Administration changed the relevant lease conditions requiring CBS members to pay land premiums for sale of their flats.</li><li>● Many CBSs were dissatisfied with the land premium requirement. Some of them filed an application with the Supreme Court of Hong Kong in the 1990s to demand the then Hong Kong Government to withdraw the requirement. However, not long before the day of the hearing, the Government appointed the Crown Counsel representing the CBSs a judge. The CBSs did not have enough time and funds to engage another Counsel. They had no choice but to settle the case out-of-court with the Government.</li><li>● To release the development potentials of the land occupied by CBS buildings, the Administration should work out a solution to facilitate the redevelopment of CBS buildings.</li></ul>
4.	張林琦珍女士	<ul style="list-style-type: none"><li>● As the CBS building where she resided at was not provided with lifts, she would not be able to move in and out of her flat easily in future when she could no longer walk up and down the staircase.</li><li>● She could not afford the high land premium to be paid to the Administration for sale of her flat. She hoped that the Administration would withdraw the land premium requirement.</li></ul>

5.	公務員建屋合作社重建權益關注小組 [LC Paper No. CB(1)1431/12-13(01)]	<ul style="list-style-type: none"><li>● Redevelopment of CBS buildings would provide developed land (about 900 000 square feet, in terms of site area) at good locations in the urban area with adequate community facilities nearby. About 20 000 500-square-foot housing units could be developed at the concerned sites. This would address housing shortage in Hong Kong in a comparatively short time, and would help expedite the urban renewal process.</li><li>● The Urban Renewal Authority ("URA") should introduce a pilot redevelopment scheme specifically for CBSs to provide a way out for the CBS occupants who wished to have a better living environment.</li><li>● Given that CBS flat owners' resistance to redevelopment was expected to be low and the redevelopment would have little impact on the existing land uses of the sites concerned, the Administration should take action as early as possible to overcome the obstacles to the redevelopment of CBS buildings (such as the land premium requirement).</li></ul>
6.	The Incorporated Owners of Po On Building [LC Paper No. CB(1)1431/12-13(02)]	<ul style="list-style-type: none"><li>● The cost for the Administration to open up land in the proposed North East New Territories New Development Areas ("NENT NDAs") to provide housing was much higher than the cost for waiving the land premiums for the redevelopment of CBS buildings, based on the same number of people to be accommodated.</li><li>● CBS members had contributed lifetime efforts in acquiring the right of "permanent residency" in their CBS flats, i.e. they were required to observe a number of restrictions, such as to remain as civil servants until the normal retirement age.</li></ul>

		<ul style="list-style-type: none"><li>● CBS flat owners only wished to have a decent accommodation but most CBS buildings were not suitable for living as they were old (aged over 50) and the conditions of these buildings had been deteriorating.</li></ul>
7.	The Incorporated Owners of Shun Ning Court [LC Paper No. CB(1)1431/12-13(03)]	<ul style="list-style-type: none"><li>● CBS flat owners were not allowed to lease out their flats. Neither could they afford the high land premiums payable to the Administration for selling the units. As most CBS buildings were not provided with lifts, the aged occupants who could not walk up and down the staircase had to refrain from going out, or rent an accommodation where there were lift services. This created a situation that many CBS flats were left vacant while many Hong Kong people had difficulties in finding an accommodation.</li><li>● He urged the Administration to provide a way out for the aged CBS building occupants.</li></ul>
8.	吳炳耀先生	<ul style="list-style-type: none"><li>● The redevelopment issues of CBS buildings remained unresolved today because the Administration had failed to make a timely review of the CBS Scheme in earlier years.</li><li>● On the amount of the land premium to be charged on CBS flat owners for the redevelopment of their buildings, the Administration could make reference to the practice adopted by the Government of Singapore in its public housing programmes, i.e. the calculation of the amount of the unpaid land premium should be based on the land price at the time of the land grant, plus the accrued interests.</li></ul>

9.	Mr Verdi C K KWAN	<ul style="list-style-type: none"><li>● SSC9 should be regarded as a contract between CBS members and the Government. To respect the contractual spirit, the Administration should not unilaterally make changes to the conditions specified in SSC9.</li><li>● The Administration had unilaterally issued a set of guidelines on 16 January 1987 to impose on CBS members the requirement to pay land premiums for sale of their flats. However, SSC9 had not specified any land premium requirement or arrangement, including how the amount of land premium payable was to be assessed.</li><li>● The rapid upsurge of the premium amount in recent years had caused great worries among CBS flat owners, in particular the elderly.</li></ul>
10.	The Incorporated Owners of Thesaurus Court [LC Paper No. CB(1)1431/12-13(04)]	<ul style="list-style-type: none"><li>● The dilapidated conditions of CBS buildings not only made the flat owners spend a lot of money on building repair works, they also posed threats to the safety of the occupants.</li><li>● The lack of incentives among developers for redeveloping CBS buildings was due to the increasingly high land premium and the complicated administrative procedures to undergo.</li><li>● CBS flat owners were not seeking a fortune through redevelopment. They only wished to move to residential units with adequate facilities such as lifts.</li></ul>
11.	Mr TSUI Man-yiu [LC Paper No. CB(1)1431/12-13(05)]	<ul style="list-style-type: none"><li>● His mother had great difficulties in accessing the CBS building she originally resided at, due to the absence of lift services in the building, and had been compelled to live in a home for the aged.</li></ul>

		<ul style="list-style-type: none"><li>● The Administration should pay due regard to the aspirations of the occupants of CBS buildings, in particular the elderly and the disabled, to move to residential units provided with lifts and to live with dignity.</li><li>● The Administration had no legal grounds in requiring CBS members to pay land premium for the redevelopment of their buildings. The requirement should be withdrawn.</li></ul>
12.	Green Sense	<ul style="list-style-type: none"><li>● Given that CBS flat owners were willing to move out and keen to redevelop their buildings, the Administration should offer assistance to them and increase the development intensity of the land lots concerned to help cater for the housing demand of Hong Kong people. As far as increasing housing land was concerned, redeveloping CBS buildings was a much preferred option than the controversial NENT NDAs project and reclamation outside Victoria Harbour.</li><li>● To break the deadlock caused by the requirement for CBS flat owners to pay land premiums for the redevelopment of their buildings, the Administration should consider either funding the redevelopment projects or offering land premium concession on certain conditions, such as requiring that the prices of the new flats to be produced must be under a certain level.</li><li>● He objected to the view that URA should be engaged in redeveloping CBS buildings, as URA's redevelopment projects only provided luxurious flats which were beyond the affordability of most Hong Kong people.</li></ul>

13.	The Chartered Institute of Building (Hong Kong) [LC Paper No. CB(1)1547/12-13(06)]	<ul style="list-style-type: none"><li>● The Institute supported facilitating the dissolution of CBSs and redevelopment of CBS buildings to help release the development potentials of the land lots now occupied by such buildings. It suggested that the threshold of securing the consent of 75% of members for dissolving a CBS be lowered to 50%.</li><li>● URA's "demand-led" pilot redevelopment scheme in general could be a feasible option for redeveloping CBS buildings. The details could be worked out by URA in collaboration with the CBSs concerned.</li><li>● Consideration might be given to the capitalization of the unpaid land premium.</li></ul>
14.	Mr CHEUNG Tak-wai	<ul style="list-style-type: none"><li>● Waiver of land premium on redevelopment of CBS buildings would not result in violation of the rule of "no double housing benefits", as the concession on land premium granted to CBS members in earlier years was an employment benefit offered to them when they were serving civil servants.</li><li>● Given that CBS buildings were located in premier locations in the urban area and the Administration would face great resistance in developing NENT, the Administration should redevelop CBS buildings rather than open up land in NENT or proceed with reclamation outside Victoria Harbour.</li><li>● Redevelopment of CBS buildings could address housing land shortage in Hong Kong and cater for the housing demand of young people.</li></ul>
15.	靠背壟道93-101號業主立案法團 [LC Paper No. CB(1)1431/12-13(06)]	<ul style="list-style-type: none"><li>● CBS flat owners only wished to own a property for self-accommodation. They had no intention to seek a fortune through the redevelopment of their buildings.</li></ul>

		<ul style="list-style-type: none"><li>● The requirement for CBS flat owners to pay land premiums for redeveloping CBS buildings was unreasonable, unaffordable and unfair. Moreover, the amount was too high and was arbitrarily set by the Administration.</li><li>● There was no question of CBS flat owners "enjoying double housing benefits". They had only one flat for self-accommodation and, to enjoy the concession on land premium under the CBS Scheme, CBS members were required to observe a number of restrictions, such as the requirement to remain as civil servants until the normal retirement age and the "live-in" requirement.</li></ul>
16.	周耀雄先生	<ul style="list-style-type: none"><li>● The CBS building where he resided at was old and without lift facilities. He and his wife were discouraged from going out and had to stay at the flat most of the time.</li><li>● He only wished to have the building redeveloped and provided with lifts.</li></ul>
17.	劉錦明先生	<ul style="list-style-type: none"><li>● The CBS building that he resided at was old and without lift facilities. His wife, who had difficulty in walking up and down the staircase, needed ambulance service whenever she had to go out to attend a medical appointment.</li><li>● The Administration should help expedite the redevelopment of CBS buildings.</li><li>● The amount of land premium for CBS flat owners to pay to the Administration on the redevelopment of their buildings had been increasing rapidly.</li></ul>
18.	賴祖德先生 [LC Paper No.	<ul style="list-style-type: none"><li>● The Administration should pay due regard to the needs and aspirations of the elderly occupants of CBS buildings and resolve the land premium issue in a</li></ul>

	CB(1)1431/12-13(07)]	<p>reasonable way.</p> <ul style="list-style-type: none"><li>● Redevelopment of CBS buildings could address housing land shortage in Hong Kong and cater for the housing demand of young people.</li><li>● Most CBS flat owners supported the suggestion of engaging URA in redeveloping CBS buildings.</li></ul>
19.	顧女士 [LC Paper No. CB(1)1431/12-13(08)]	<ul style="list-style-type: none"><li>● The CBS building that she resided at was old and without lift facilities. Her husband, who had difficulties in walking up and down the staircase, was compelled to stay in the flat most of the time. Whenever he had to attend a medical appointment, he needed ambulance service.</li><li>● She was worried about her personal safety as there were serious water seepage problems in her flat and the conditions of the building, known to be constructed with materials with seawater, was deteriorating.</li><li>● It was impossible for her to sell the flat and to purchase another one in a building provided with lifts, since she could not afford the high land premium to be paid to the Administration.</li></ul>
20.	廖家興女士 [LC Paper No. CB(1)1431/12-13(09)]	<ul style="list-style-type: none"><li>● Her family members' health had been affected by the air and noise pollution generated from the heavy traffic on the road in proximity to the CBS building she resided at.</li><li>● The building's conditions were deteriorating and there were water seepage and concrete spalling problems, hence posing safety threats to her family and heavy</li></ul>

		<p>financial burdens on her for building maintenance.</p> <ul style="list-style-type: none"><li>● The high land premium to be paid to the Administration on the redevelopment of CBS buildings had discouraged developers from acquiring the buildings.</li></ul>
21.	林燕玲女士 [LC Paper No. CB(1)1431/12-13(10)]	<ul style="list-style-type: none"><li>● The conditions of the CBS building she resided at were deteriorating. The expenses on building maintenance were financial burdens to her.</li><li>● The building was old and without lift facilities, hence posing access problems to the elderly occupants who had difficulties in walking up and down the staircase.</li><li>● She wished to have CBS buildings redeveloped as early as possible.</li></ul>
22.	莫美華女士 [LC Paper No. CB(1)1431/12-13(11)]	<ul style="list-style-type: none"><li>● LegCo Members and the Administration should continue to attach importance to resolving the issues on redevelopment of CBS buildings until a solution that could fundamentally address the problem was worked out.</li><li>● The CBS building she resided at was old and without lift facilities, hence posing access problems to her mother, who had difficulties walking up and down the staircase.</li><li>● The environment of the building was worsening and the conditions had been deteriorating, creating for occupants a heavy burden in building maintenance.</li></ul>
23.	岑樹炳先生	<ul style="list-style-type: none"><li>● He shared the views expressed by other CBS members/flat owners at the meeting.</li></ul>

24.	唐金蘭女士 [LC Paper No. CB(1)1431/12-13(12)]	<ul style="list-style-type: none"><li>● The CBS building she resided at was dilapidated with spalling concrete, hence posing safety threats to her.</li><li>● She had to borrow money to pay for the expenses on building maintenance.</li></ul>
25.	姚寶樞先生	<ul style="list-style-type: none"><li>● The living environment of CBS building occupants was worsening. The buildings were dilapidated and unsafe. The maintenance costs were high.</li><li>● Redevelopment of CBS buildings would provide developed land (about 900 000 square feet in terms of site area, or 6.3 million square feet in terms of gross floor area at a plot ratio of 7) at good locations in the urban area with adequate transport and community facilities nearby, hence enabling the Administration to address housing shortage in Hong Kong as well as providing a way out for the CBS occupants who wanted to have a reasonable living environment.</li><li>● If the redevelopment projects for CBS buildings were to be taken up by URA, it was anticipated that the redeveloped buildings would not only provide sufficient flats for rehousing the existing CBS occupants in-situ, but also surplus units for URA to dispose of, hence generating considerable revenues.</li></ul>
26.	李鎮波先生 [LC Paper No. CB(1)1431/12-13(13)] [LC Paper No. CB(1)1679/12-13(01)]	<ul style="list-style-type: none"><li>● The Administration should facilitate the redevelopment of CBS buildings so that CBS flat owners or their inheritors could own permanent and decent accommodations with modern-day facilities, such as lifts, and could be free from the financial burden to maintain the dilapidated buildings.</li><li>● CBS flat owners were not seeking a fortune through redevelopment of CBS buildings. They only wanted to find a way to move to decent shelters with better</li></ul>

		<p>living environment.</p> <ul style="list-style-type: none"><li>● Redevelopment of CBS buildings would be beneficial to CBS flat owners, the Administration as well as other Hong Kong people who had housing needs.</li></ul>
27.	黃森泉先生	<ul style="list-style-type: none"><li>● In 2001, in rezoning the Wang Fung Terrace area (57-81 Tai Hang Road) from 'Residential (Group B)' to 'Residential (Group C)', the Town Planning Board and the Planning Department had arbitrarily included the land lots currently occupied by four CBS buildings at 83-111 Tai Hang Road as part of the Wang Fung Terrace area, without informing the CBS members concerned. The rezoning impeded the redevelopment of the four CSB buildings. As there was a major discrepancy between two documents on the rezoning, namely, Amendments to the Approved Causeway Bay Outline Zoning Plan No. S/H6/10 and Gazette Notice No. 47/2001, the amendments should have no effect.</li></ul>
28.	黎玉鉗女士	<ul style="list-style-type: none"><li>● CBS occupants were not seeking a fortune through the redevelopment of their buildings, given that the CBS flats were the only housing units owned by them.</li><li>● CBS buildings should be redeveloped in a timely manner as most of them were old and without lift facilities, hence posing access problems to elderly occupants who had difficulties in walking up and down the staircase.</li></ul>
29.	鄭杜雪平女士	<ul style="list-style-type: none"><li>● The conditions of the CBS building she resided at were deteriorating. It was difficult to resolve the water seepage problem in her flat.</li><li>● The building was old and without lift facilities, hence posing access problems to her.</li></ul>

30.	曾煜均先生	<ul style="list-style-type: none"><li>● The CBS building he resided at was old and without lift facilities, making it difficult for him to move in and out of his flat. He had to pay extra money for groceries for the home delivery services.</li><li>● Redevelopment of CBS buildings would not only help improve the situation that many CBS flats were left vacant while a lot of people in Hong Kong had difficulties in finding a place to live in, but also provide a way out for the CBS occupants who wished to lead a life of dignity.</li></ul>
31.	謝麗珍女士	<ul style="list-style-type: none"><li>● She cast doubt on whether the Lands Department had properly assessed the land premiums for redevelopment of CBS buildings, given that the land premium she had to pay for her flat had been increased from \$3.5 million in March 2010 to \$8.85 million in June 2012.</li><li>● CBS members had observed a number of restrictions in exchange for the concession on land premium granted decades ago, including the prohibition on renting out the CBS flats, the requirement to remain as civil servants until the normal retirement age, etc. Moreover, they had been paying the building maintenance costs on their own. It was unreasonable to ask them to pay the "unpaid" land premiums on the redevelopment of CBS buildings.</li><li>● She was not seeking a fortune through the redevelopment of the CBS building she resided at, as the CBS flat was the only housing unit owned by her.</li></ul>
32.	吳秀萍女士	<ul style="list-style-type: none"><li>● The CBS building she resided at and the lifts in the building were old and unsafe. The living environment of the occupants was unsatisfactory.</li></ul>

		<ul style="list-style-type: none"><li>● CBS occupants, mostly retired, could not afford the high building maintenance costs.</li><li>● Developers had no incentive to acquire CBS buildings for redevelopment having regard to the unreasonably high land premiums to pay, the complicated procedures and the long time taken by the Administration for processing the applications.</li></ul>
33.	張兆華先生	<ul style="list-style-type: none"><li>● The CBS building he resided at was old and without lift facilities. The aged occupants who had difficulties in walking up and down the staircase were compelled to stay in the flats almost all the time.</li><li>● The high land premiums (say, \$7.5 million for a CBS flat in 2011 and \$14 million for the same flat in 2012) and the Lands Department's slow processing of applications for removal of alienation restrictions had hindered the sale of the CBS flats to prospective buyers.</li><li>● Most CBS members had an urgent need to sell their flats as they could no longer afford the high building maintenance costs.</li></ul>
34.	The Hong Kong Institute of Surveyors	<ul style="list-style-type: none"><li>● Redevelopment of CBS buildings would improve the quality of life of CBS flat owners, provide more housing units to Hong Kong people and help utilize land resources effectively.</li><li>● Without sound justifications, to provide land premium concession or exemption to CBS flat owners might arouse objections from members of the public as well as suspicion on collusion between the Government and developers. It would also</li></ul>

		<p>encourage other private flat owners who lived in unsatisfactory environment to seek similar concession from the Government for redeveloping their buildings.</p> <ul style="list-style-type: none"><li>● There were grounds for the Administration to waive the unpaid land premium for redevelopment of CBS buildings, given that the concession granted to CBS members in earlier years was an employment benefit and they had no other housing benefits.</li><li>● Given the changes in the needs of the society over the years, the Administration should reconsider whether it was necessary to charge a land premium on the redevelopment of a site at a higher plot ratio.</li></ul>
35.	Hong Kong Association for Democracy and People's Livelihood	<ul style="list-style-type: none"><li>● The Secretary for Development should have attended the meeting to listen to deputations' views. The Administration should pay due regard to the aspirations of the retired civil servants, living in CBS buildings, to improve their living environment.</li><li>● Redevelopment of CBS buildings would provide a way out for CBS flat owners, address housing demand in Hong Kong, and help utilize the land resources effectively.</li><li>● He disagreed with the Administration's view that many CBS flat owners preferred to stay at CBS flats.</li></ul>
36.	Hong Kong Professionals And	<ul style="list-style-type: none"><li>● The land lots where CBS buildings were located had high redevelopment value.</li></ul>

	<p>Senior Executives Association [LC Paper No. CB(1)1547/12-13(04)]</p>	<ul style="list-style-type: none"><li>● Redevelopment of CBS buildings would help address housing shortage in Hong Kong.</li><li>● Before making a policy change, the Administration should study carefully the conditions of CBS buildings, the needs of CBS flat owners and the development potentials of the sites concerned.</li></ul>
37.	<p>Democratic Party [LC Paper No. CB(1)1547/12-13(05)]</p>	<ul style="list-style-type: none"><li>● Redevelopment of CBS buildings would help address housing shortage in Hong Kong.</li><li>● The Administration should seek CBS flat owners' views on redeveloping their buildings and should not force them to accept any redevelopment proposals.</li><li>● The Administration should streamline the administrative procedures to facilitate the redevelopment of CBS buildings and pay due regard to CBS flat owners' difficulties in paying the high land premiums for redevelopment.</li><li>● Consideration could be given to waiving the land premiums for URA to redevelop CBS buildings and to provide subsidized housing units in the redeveloped buildings.</li><li>● If URA was to take up the redevelopment of CBS buildings, it should give priority to the cases where the conditions of the buildings were seriously dilapidated and the occupants were willing to accept compensation based on the value of the concerned land lot seven years ago.</li></ul>