

立法會
Legislative Council

LC Paper No. CB(1)1246/13-14
(These minutes have been seen
by the Administration)

Ref : CB1/PL/DEV/1

Panel on Development

Minutes of meeting
held on Tuesday, 28 January 2014, at 2:30 pm
in Conference Room 3 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 Abraham SHEK Lai-him, GBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon Cyd HO Sau-lan
Dr Hon LAM Tai-fai, SBS, JP
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 Michael TIEN Puk-sun, BBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing
Hon Gary FAN Kwok-wai
Hon CHAN Chi-chuen
Dr Hon Kenneth CHAN Ka-lok
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP

Hon 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

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

Members absent : Hon James TIEN Pei-chun, GBS, JP
Hon CHAN Han-pan

Public officers attending : **Agenda item IV**

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

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

Mr HON Chi-keung, JP
Acting Permanent Secretary for Development (Works)

Mr Thomas CHAN Chung-ching, JP
Deputy Secretary for Development (Planning & Lands)1

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

Mr Albert LAM Kai-chung
Deputy Secretary (Works)1
Development Bureau

Mr CHAN Chi-ming
Deputy Secretary (Works)2
Development Bureau

Mr Raymond LEE Kai-wing
Head of Energizing Kowloon East Office
Development Bureau

Mr AU Choi-kai, JP
Director of Buildings

Ms Bernadette LINN, JP
Director of Lands

Mr LING Kar-kan, JP
Director of Planning

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

I Confirmation of minutes
(LC Paper No. CB(1)742/13-14 -- Minutes of meeting on
26 November 2013)

The minutes of the meeting on 26 November 2013 were confirmed.

II Information papers issued since the last meeting
(LC Paper No. CB(1)605/13-14(01) -- Letter dated 23 December
2013 from Hon TANG
Ka-piu and Hon Alice MAK
on fresh water supply at
remote villages
LC Paper No. CB(1)616/13-14(01) -- Letter dated 20 December
2013 from Hon WONG
Kwok-hing on the
demolition orders for
buildings at Nos. 45-51 Kai
Ming Street and inspection

- of aged buildings in Hong Kong
- LC Paper No. CB(1)676/13-14(01) -- Letter dated 3 January 2014 from Dr Hon Kenneth CHAN Ka-lok on suspension of water supply in the Western District on 1 January 2014 and replacement of aged water mains
- LC Paper No. CB(1)711/13-14(01) -- Referral memorandum dated 10 January 2014 from the Public Works Subcommittee suggesting the Panel's discussion with the Administration on the overall planning, budgeting, coordination and control of public works programmes
- LC Paper No. CB(1)725/13-14(01) -- Referral memorandum dated 6 January 2014 from the Public Complaints Office on rezoning a site at the Central waterfront from "Open Space" to "Military Use"
- LC Paper No. CB(1)732/13-14(01) -- Administration's response to the letter dated 23 December 2013 from Hon TANG Ka-piu and Hon Alice MAK on fresh water supply at remote villages (LC Paper No. CB(1)605/13-14(01))
- LC Paper No. CB(1)739/13-14(01) -- Letter dated 9 January 2014 from Hon KWOK Wai-keung on the design of new residential buildings and safety of workers engaged in the maintenance of external walls
- LC Paper No. CB(1)740/13-14(01) -- Administrations' response to the letter dated 20 December 2013 from Hon WONG

Kwok-hing on the demolition orders for buildings at Nos. 45-51 Kai Ming Street and inspection of aged buildings in Hong Kong (LC Paper No. CB(1)616/13-14(01))

LC Paper No. CB(1)786/13-14(01) -- Issue raised at the meeting between Legislative Council Members and Wong Tai Sin District Council members on 5 December 2013 relating to expediting the implementation of public works projects under the Universal Accessibility Programme

LC Paper No. CB(1)795/13-14(01) -- Administration's paper on the Study on the Action Plan for Livable Bay Area of the Pearl River Estuary)

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

III Items for discussion at the next meeting

(LC Paper No. CB(1)741/13-14(01) -- List of outstanding items for discussion

LC Paper No. CB(1)741/13-14(02) -- List of follow-up actions)

3. Members agreed that the next meeting scheduled for Tuesday, 25 February 2014 at 2:30 pm be extended to end at 5:45 pm and the following items proposed by the Administration be discussed --

- (a) Manpower increase for implementing initiatives to increase land supply and redistribution of responsibilities among directorate posts in the Development Bureau and Civil Engineering and Development Department;
- (b) PWP Item No. 747CL - Advance site formation and engineering infrastructure works at Kwu Tung North New

Development Area and Fanling North New Development Area
- Detailed design and site investigation; and

- (c) PWP Item No. 43CG - Greening Master Plans for the New Territories.

(Post-meeting note: With the concurrence of the Chairman, one additional item, i.e. "Challenges to Delivery of the Capital Works Programme" was added to the agenda for the meeting on 25 February 2014 and the meeting was extended to end at 6:30 pm. Members were informed of the revised agenda on 5 February 2014 vide LC Paper No. CB(1)849/13-14.)

IV Briefing by the Secretary for Development on relevant policy initiatives in the Chief Executive's 2014 Policy Address

(LC Paper No. CB(1)741/13-14(03) -- Administration's paper on initiatives of Development Bureau in the 2014 Policy Address and Policy Agenda

Relevant papers -- Address by the Chief Executive at the Legislative Council meeting on 15 January 2014 -- "Support the Needy, Let Youth Flourish, Unleash Hong Kong's Potential"

Relevant papers -- The 2014 Policy Address -- "Policy Agenda"

4. At the invitation of the Chairman, the Secretary for Development ("SDEV") briefed the Panel on the policy initiatives of the Development Bureau ("DEVB") in the Chief Executive's 2014 Policy Address ("the Policy Address"). With the aid of a powerpoint presentation, Permanent Secretary for Development (Planning & Lands) ("PS/DEV(P&L)") and Acting Permanent Secretary for Development (Works) ("Ag PS/DEV(W)") elaborated on the following major new initiatives –

- (a) Taking forward a new round of land use reviews in meeting the new housing supply target;
- (b) Duly increasing development intensity;

- (c) Relaxing the development moratorium on Pok Fu Lam;
- (d) Introducing a pilot scheme for land premium arbitration;
- (e) Developing Lantau; and
- (f) Exploring the development of underground space.

The details of DEVB's policy initiatives under the Policy Address were set out in the Administration's paper (LC Paper No. CB(1)741/13-14(03)).

(Post-meeting note: A soft copy of the powerpoint presentation materials (LC Paper No. CB(1)821/13-14(01)) was circulated to members by email on 28 January 2014.)

Increasing housing land supply

5. Ms Emily LAU observed that the Administration was facing lots of difficulties in implementing its policy initiatives to increase housing land supply. She queried whether the Administration had the capability to resolve the controversies and overcome the obstacles. SDEV responded that past experience had shown that increasing land supply by reclamation or developing new towns would take a long lead time. Apart from the long-term measures, the Administration had put forward short- and medium-term initiatives such as increasing residential development intensity, carrying out land use reviews, etc., with a view to providing land resources in a shorter timeframe. However, the implementation of these initiatives would also take a certain period of time. In rezoning suitable sites, including Government, Institution or Community ("GIC") sites, Green Belt ("GB") sites and industrial sites, to residential use, other than conducting technical studies and assessments, the Administration had to seek the support of the various stakeholders in the community and follow the statutory planning procedure. SDEV said that the Administration had made good progress in the past year in this aspect of work. After the first round of land use reviews, 36 GIC/Government sites with the potential to provide about 14 920 housing units had been identified. As at December 2013, 18 of these sites had been zoned for/rezoned to residential use or were going through the statutory planning procedure. The Planning Department ("PlanD") had been actively working with other Government departments to resolve the outstanding issues for the remaining sites. Apart from the first batch of 36 sites, 21 additional GIC sites, with an estimated capacity to provide about

25 570 flats, had also been identified as suitable for residential development. Eleven of them had been rezoned to residential use or were undergoing the statutory rezoning procedure.

Land use reviews

6. The Panel noted that there were 152 potential housing sites which would require amendments to their respective statutory plans for change of use and increase in development intensity for housing development in the coming five years (i.e. from 2014-15 to 2018-19) ("the 152 Sites"). Dr Kenneth CHAN said there were public concerns that the provision of community and transport facilities in the areas adjoining these 152 sites might not be adequate to cater for the new population intake, and the development works might involve the demolition of existing buildings containing asbestos. He urged the Administration to provide more information about the 152 Sites, especially their locations.

7. SDEV replied that information about these sites had been provided in the discussion paper for the joint meeting of the Panel on Development and the Panel on Housing on 29 January 2014. The Administration had conducted preliminary assessments on these sites. Upon the completion of further necessary assessments confirming their development feasibility, the Administration would consult the relevant District Councils and other stakeholders on the development parameters of these sites.

8. In view of the concerns of the local communities that the proposed rezoning of the 152 Sites, of which some were GIC sites, would affect the provision of planned community facilities, Mr CHAN Kam-lam enquired whether the Administration would consider co-locating the planned community facilities with the future residential developments. SDEV replied that the Administration would consider co-location arrangements as far as practicable. He added that the provision of community facilities at a residential site would be considered in the light of the circumstances of the site, local stakeholders' views and the relevant planning standards.

9. Mr WU Chi-wai opined that, to allow more flexibility for the provision of community facilities at the GIC sites in public housing estates, the Administration should consider increasing the development plot ratios of these sites. SDEV undertook to study Mr WU's suggestion with the relevant departments.

10. Mr Michael TIEN queried whether the Administration could achieve the housing production target in respect of converting potential sites to residential use, taking into account possible dissenting views in the districts. SDEV replied that community support was vital to the rezoning of the sites. Despite the difficulties, the Administration would strive to obtain the support of the local communities in this respect.

11. Mr Gary FAN said that certain GB sites in Tai Po which were currently vegetated had been selected by the Administration for conversion to residential use. Recalling that the Administration had claimed that only the GB sites which were devegetated or deserted would be rezoned for housing development, he questioned whether the Administration had cheated the public. In response, SDEV explained that the Administration had commenced in 2013 the first stage of GB review, which had looked into devegetated, deserted or formed GB sites. Thirteen such sites had been recommended to be rezoned for residential use. To release more sites for housing development, the Administration was engaged in the second stage of GB review and had informed the public accordingly. The second batch of GB sites, though vegetated, had relatively less buffering effect and ecological value. As these sites were close to supporting infrastructure facilities, subject to community support, they were considered to have good potential to be rezoned for residential use. As regards the trees at the sites concerned, the Administration would require either preserving them in-situ or compensating for the loss in another site in accordance with the greening policy.

Increasing residential development intensity

12. The Panel noted the Administration's proposal to increase the maximum domestic Plot Ratios ("PRs") for housing sites located in most density zones of the main urban areas and new towns by 20%. Mr IP Kwok-him enquired how the rate of increase had been arrived at and how the actual increase in PRs in individual sites would be determined. Director of Planning replied that except for Density Zone 1, which covered mainly the Kowloon Peninsula and the north of Hong Kong Island, the maximum PRs currently permitted for the other density zones could be increased, taking into account the relevant planning considerations, such as the capacities of the transport and infrastructure facilities, air ventilation, visual impact and impact on local characters. It was anticipated that the maximum PRs of some housing sites could be increased by a maximum of 20%. He advised that whether and how far the PR of a site could be increased would be subject to

the results of planning reviews and technical assessments to be conducted by PlanD and other relevant Government departments.

13. Mr Albert CHAN and Mr Alan LEONG opined that the initiative to relax the PR restrictions would disrupt years of efforts of Hong Kong people in reducing the permissible PRs for residential sites for enhancing the quality of the living environment. SDEV responded that any increase in the PR for an individual site was subject to the maximum PRs of the relevant density zones. There were provisions in the relevant statutory plans for minor relaxation of the development restrictions subject to the approval of the Town Planning Board ("TPB"). In considering such applications, TPB would take into account all relevant planning considerations and the potential impacts on the traffic and infrastructure capacities, the environment, etc., arising from the proposal. He considered that, in light of the above, the living environment for the people of Hong Kong would not be compromised by the increases in the maximum PRs for housing sites.

14. Mr LEUNG Che-cheung said that the initiative to provide a large number of new housing units in Yuen Long, of which the town centre was very crowded during the weekends, would adversely affect the living environment of the existing residents. Pointing out that the population in Yuen Long would be increased from 400 000 to one million in future, he was concerned whether the transport and infrastructure facilities could cater for such a significant population growth. SDEV responded that relevant planning and engineering assessments would propose traffic improvement measures as necessary and the Transport and Housing Bureau ("THB") was conducting strategic reviews on railway development. The results would be announced within this year.

Development intensity in Kai Tak Development

15. Mr CHAN Kam-lam held the view that, to achieve an efficient use of land resources in the new Kai Tak Development ("KTD"), apart from increasing the maximum PRs of the new housing sites, the Administration should also relax the restrictions on building heights and the site coverage, etc. In response, SDEV advised that to relax the PRs for the residential sites in KTD was a way to increase the development intensity in the area without changing the master layout plan. The Administration had submitted a planning application for a relaxation of the development restrictions for four housing sites in KTD to TPB and had obtained its approval. When exploring the possibility of increasing the development intensity in KTD, the Administration would ensure that the options would on one hand adhere to

the original planning vision of the area, and on the other hand would not cause overloading of infrastructures or unacceptable environmental impacts.

Relaxing the development moratorium on Pok Fu Lam

16. Mr IP Kwok-him and Ms Cyd HO enquired about the total area of the six Government sites involved in the initiative to partially lift the administrative moratorium currently in force to restrict new land sale or lease modification in Pok Fu Lam. Ms HO opined that as one of these sites was currently a GB site, to justify the rezoning of these sites to residential use, only public housing units should be provided at the sites. Mr IP asked about the timetable for commencing the planning of the sites.

17. PS/DEV(P&L) responded that according to preliminary assessment, the six Government sites would provide about 11 900 additional public housing units. The total area could only be ascertained after the Housing Department had carried out the relevant studies. SDEV added that all the housing units to be provided at the six sites would be public rental housing units or Home Ownership Scheme units. Their proportion would be determined by THB. The Administration would draw up the boundaries and other details of these sites before consulting the Southern District Council on the development plans.

18. Mr CHAN Kin-por opined that, to tie in with the intake of a new population of about 50 000 in Pok Fu Lam, it was important to complete the Island Line extensions and provide adequate transport and infrastructure facilities in a timely manner. As the Aberdeen Tunnel and the adjoining road network in Causeway Bay were already very congested, he asked whether the Administration had any plan to increase the capacity of the road infrastructures in the area. In response, SDEV said that the Administration noted the transport constraints in Pok Fu Lam and so had decided to partially lift the moratorium on six sites only. He would convey Mr CHAN's concerns to THB. Mr WONG Kwok-hing welcomed the Administration's announcement that it was actively considering the construction of the South Island Line (West) to improve the public transport services in Pok Fu Lam.

New Development Areas

19. Dr Fernando CHEUNG expressed regret over the Administration's plan to proceed with the proposed Kwu Tung North and Fanling North New Development Areas ("the two NDAs") project. He stressed that the implementation of the project would destroy the homes of many villagers

and seriously affect their livelihood. He criticized that the Administration had not taken into account the public views on the proposed project. Mr Gary FAN considered that the proposed development of the two NDAs was not ready for implementation in view of the villagers' demand for "no relocation, no demolition" and the persistent controversies over the arrangements for agricultural rehabilitation, compensation and rehousing. He said that a villager in Kwu Tung had committed suicide on 18 January and queried whether it was right for the Administration to proceed with the project. SDEV said it was unfortunate that the tragedy had happened; however, it was not appropriate to relate the incident to the implementation of the project.

[At the juncture, some people shouted in the public gallery. The Chairman asked them to keep quiet when observing the meeting.]

20. SDEV continued that officers of the Lands Department ("LandsD") had recently conducted a freezing survey for residents in the areas affected by the project and the survey process was largely smooth.

[At the juncture, some people yelled in the public gallery. The Chairman advised them to keep quiet. He said if they interrupted the meeting, he would order that they be removed from the public gallery.]

21. Dr Fernando CHEUNG asked how the Administration would deal with the impact of the development of the two NDAs on the existing farmers in the areas and the elderly living in the residential care homes ("RCHEs") at Dills Corner Garden in Kwu Tung North. He was concerned that while development projects were initiated by DEVB, the consequences of the development were to be followed up by other bureaux. He also enquired about the objectives and timetable of the review on the agricultural policy as stated in the Policy Address, and how the public would be engaged in the review.

22. SDEV said it was inevitable that the implementation of large-scale development projects would involve cross-bureaux efforts. He had advised members at some previous meetings of the Panel that DEVB, in close collaboration with the Food and Health Bureau ("FHB"), which was responsible for agricultural policy, was working out the arrangements to address the concerns of the farmers who would be affected by the development of the two NDAs. The details would be announced once they were available. DEVB was liaising with the Labour and Welfare Bureau on the arrangements for the RCHEs at Dills Corner Garden.

23. Noting that the Administration had not reserved any land in the proposed Fanling NDA for providing a railway station, Mr CHAN Hak-kan queried how the demand for external transport of the new population would be met. SDEV advised that THB was conducting a consultancy study for the Review and Update of the Railway Development Strategy 2000 and planned to announce by 2014 the results of the study.

24. Mr Michael TIEN said that commercial development should be a key element of the Hung Shui Kiu ("HSK") NDA. He enquired whether the Administration would provide a large shopping complex with a total floor area of, say, not less than 200 000 square feet in the NDA near the proposed railway station. Miss Alice MAK sought information about the types of employment opportunities to be provided in HSK NDA and whether the Administration could expedite the planning and development of the NDA. Noting that a Logistics and Technology Quarter would be developed in the NDA, she asked whether DEVB had discussed with THB the policies to facilitate the development of the logistics industry in the area.

25. SDEV replied that the Administration would strive to proceed with the planning and development of HSK NDA in a timely manner. The Stage 3 community engagement exercise under the planning and engineering study for the NDA was expected to commence in 2014. DEVB would coordinate inter-departmental efforts to examine the industries to be developed and the job opportunities to be provided in the NDA.

Reclamation outside Victoria Harbour

26. Mr CHAN Chi-chuen said that during the Stage 2 Public Engagement ("PE") exercise for the study on "Enhancing Land Supply Strategy: Reclamation outside Victoria Harbour and Rock Cavern Development", the public were asked about their views on a few land use options for five potential near-shore reclamation sites. However, they were not asked whether they supported reclamation or not. Pointing out that plenty of views collected during the Stage 2 PE were opposed to reclamation at Ma Liu Shui, he enquired whether the Administration would seriously consider these views.

27. In response, SDEV explained that during the Stage 1 PE conducted a few years ago, public feedback had shown broad support to a six-pronged approach to increasing land supply, which included reclamation outside Victoria Harbour and rock cavern development. In light of the views

received at that stage, the Administration had come up with a list of 25 possible reclamation sites to facilitate the community's discussion on the site selection criteria for reclamation. After the Stage 1 PE was completed, in accordance with the site selection criteria formulated, the Administration identified five potential near-shore reclamation sites, namely Lung Kwu Tan in Tuen Mun, Siu Ho Wan and Sunny Bay on North Lantau, Tsing Yi Southwest and Ma Liu Shui in Sha Tin, and launched the Stage 2 PE, the major objective of which was to seek public views on the possible land uses for these sites. SDEV advised that there were both supporting and objecting views on reclamation at the sites. In analyzing the views, the objecting views were further broken down into different categories, such as views related to subjective factors and objective factors. The Administration would conduct scientific studies on the concerns related to objective factors, such as the potential impact of reclamation on the marine ecology and the habitats of Chinese White Dolphins, with a view to providing facts for public discussion at the Stage 3 PE.

Redevelopment of buildings developed under the Civil Servants' Co-operative Building Society Scheme

28. Dr CHIANG Lai-wan reminded SDEV that the Panel had passed a motion at its meeting on 15 July 2013 urging the Administration to launch a redevelopment programme for the buildings developed under the Civil Servants' Co-operative Building Society ("CBS") Scheme, and to submit feasible proposals acceptable to both sides. She said there were views that if the redevelopment of these buildings could be facilitated, the concerned sites could provide 20 000 small-to-medium flats to address the housing shortage problem. Dr CHIANG urged the Administration to discuss with the owners to work out solutions to resolve the land premium issue. In response, SDEV assured members that the Administration was studying the matter and was keen to come up with a solution that was acceptable to all concerned parties.

Use of military sites

29. Mr Frederick FUNG opined that the Administration should offer land exchange for some of the sites currently designated for military use, so as to make use of these sites, which could be developed in a short time, for housing development. SDEV responded that according to the Hong Kong Garrison of Chinese People's Liberation Army, the existing military sites were needed for defense purposes. He emphasized that the Administration had adopted a multi-pronged approach to increasing land supply. For instance, to optimize the use of land resources, the Administration had

reviewed the use of a number of sites where the originally earmarked purposes would no longer be pursued. A site at Tai Po which was initially reserved for private hospital development would be re-allocated for public housing development.

30. Pointing out that air pollution was serious in Tung Chung, Mr Albert CHAN criticized that the Administration's plan to accommodate a population of about 220 000 in Tung Chung New Town upon its extension was an act putting the well-being of the residents at risk. He considered that, instead of clearing the agricultural land and villages in the New Territories ("NT") to develop New Development Areas ("NDAs"), the Administration should take back the military sites, such as those used as firing ranges in Tuen Mun, to address the housing land shortage problem. He requested to put in record that the Administration should be blamed for having land development policies led by people who had no professional knowledge in land planning, and drawing up development plans in an irresponsible and unprofessional manner. In response, SDEV said that the criticism of Mr Albert CHAN was not based on facts.

Land granted under private recreational leases

31. Mr Gary FAN criticized that the Administration had indiscriminately taken forward land development projects in the NT to increase land supply at the expense of the interest of the residents. Mr LEUNG Kwok-hung was concerned whether the Administration would resume the land granted under private recreational leases for housing development. He asked about the Administration's timetable for taking back the Fanling Golf Course site. SDEV replied that the site had been included in the preliminary feasibility study on developing NT North commissioned in January 2014.

Village Type Development

32. Dr KWOK Ka-ki considered that given the shortage of housing land in Hong Kong, the Administration should immediately review the Small House Policy so that the land reserved for Village Type Development could be released for other uses. Mr Frederick FUNG queried whether a time limit with respect to small house applications could be imposed. He opined that some of the land reserved for Village Type Development could be rezoned for developing public housing if the Administration would relax the number of storeys allowed for small house developments.

33. SDEV replied that the Administration recognized the need for a review of the Small House Policy, which had been in force for more than four decades, having regard to the present-day land use planning and the principle of optimal use of land resources. While asserting that a review would be conducted, he cautioned that it would inevitably entail complicated issues in various aspects including legal, environment, interests of relevant stakeholders, etc., all of which had to be carefully examined. As regards the suggestion of rezoning some of the Village Type Development sites to residential use, SDEV said that these sites were in general not suitable for large-scale development because of the infrastructural and other technical constraints and their sporadic locations. Before deciding to develop these sites, the Administration had to first carry out planning and engineering studies to ascertain the development feasibility and the infrastructural requirements, as well as to conduct public consultation.

Other views

34. In response to Dr KWOK Ka-ki's enquiry on whether the Administration could accord a higher priority to the proposed residential development project above Kam Tin South West Rail Kam Sheung Road Station and consider developing public housing at the site, SDEV advised that the Administration was taking forward the planning of the site actively. He assured members that planning studies for residential development at the site was underway and would be expedited

35. Mr WONG Kwok-hing said that according to media reports, the Administration planned to purchase or rent land in the Mainland for development. Noting that the Policy Address had made no reference to such a plan, he asked whether this option would not be pursued. SDEV advised that he had no information about Mr WONG's question. He asserted that the Administration would carefully consider all suggestions on how to increase land resources.

Pilot Scheme for Arbitration on Land Premium

36. Mr Alan LEONG enquired about the purpose of putting forward the Pilot Scheme for Arbitration on Land Premium ("the Arbitration Scheme"). In reply, Director of Lands ("D of L") advised that according to past experience, the time taken for processing lease modification/land exchange applications could be very long, due to the lengthy negotiations, which could go on repeatedly without an end, on the amount of premium payable to the Government. To facilitate early agreement on the premium, which would in

turn advance housing land supply and speed up flat production, the Administration had proposed to launch the Arbitration Scheme. She advised that, before proceeding to arbitration under the scheme, the consent of both parties, i.e. the applicant and the Government, was required. The premium amount determined by arbitration would be binding on both parties and would be made known to the public. If either party did not agree to entering into arbitration, both sides could continue to discuss the premium in accordance with the existing mechanism.

37. Dr KWOK Ka-ki queried whether the Arbitration Scheme was introduced to bring benefits to property developers. Mr CHAN Hak-kan opined that if it was successfully implemented, the scheme would help advance land supply for both housing and economic developments. He stressed that, to dismiss the allegation that the purpose of the scheme was to transfer benefits from the Government to businesses, it was important for the Administration to enhance the transparency of the scheme. Mr CHAN enquired about the implementation details of the scheme, including its time span, whether there was a limit on the number of applications to be processed, and whether the scheme would be operated by a committee or private arbitrators appointed by the Administration. The Deputy Chairman and Ms Cyd HO enquired which parties would be consulted on the implementation of the scheme. Considering that members of the public were all along concerned about the handling of applications for change of land use, Ms HO suggested that, to enhance public confidence on the impartiality of the scheme, the Administration should engage the public at an early stage in formulating the implementation arrangements.

38. SDEV replied that the Arbitration Scheme aimed to resolve the differences between the Government and the lease modification/land exchange applicant on the amount of land premium payable. Other terms and conditions for granting the lease modification/land exchange permission were outside the scope of the scheme. Relevant departments, including LandsD and the Department of Justice, were working on the implementation details, which were expected to be promulgated in mid-2014. He assured members that in devising the scheme, the Administration would take into account the importance of transparency and credibility. The Administration would consult the relevant professionals, including arbitrators and surveyors, on the implementation arrangements. Ms Cyd HO remained of the view that to exclude the general public from the consultation on the scheme would not help allay the worries that the scheme would facilitate collusion between businesses and the Government.

Lantau development

39. Noting that various large-scale infrastructure projects would be undertaken on Lantau Island, Miss Alice MAK opined that, apart from creating business/job opportunities and developing bridgehead economy, the Administration should also care about the quality of life of the local residents. SDEV replied that as part of the initiatives to develop Lantau Island, the Administration would explore the feasibility of developing shopping and other facilities at the Hong Kong-Zhuhai-Macao Bridge Hong Kong Boundary Crossing Facilities ("HKBCF") Island. Meanwhile, the Hong Kong Airport Authority was carrying out a study on the development strategy for the North Commercial District on the Chep Lap Kok Airport Island. The population to be accommodated in Tung Chung New Town upon the completion of its extension was expected to increase from 90 000 to about 240 000. The Administration would conduct a planning and engineering study on the reclamation at Sunny Bay, which was considered to have less impact on the habitats of Chinese White Dolphins in the western waters of Hong Kong. He considered that all these initiatives, together with the development of East Lantau Metropolis, would promote socio-economic development on Lantau Island and generate job opportunities for the residents without compromising the conservation of the environment.

40. Mr Michael TIEN considered it important to provide an extension of the Airport Railway to connect the Hong Kong-Zhuhai-Macao Bridge HKBCF Island and the North Commercial District to meet the transport demand of the arrivals. Referring to the Administration's plan to provide a railway link between the East Lantau Metropolis and the main urban areas, Mr TIEN enquired about the proposed alignment of the link. SDEV responded that the Transport Department was conducting a study on the transport links between the HKBCF Island and Lantau. To connect the East Lantau Metropolis with the urban areas, the Administration initially considered that an option was to provide a railway and a road link. The Administration would carry out the necessary studies and conduct consultations on the matter.

41. Mr CHAN Kam-lam opined that the central waters to the east of Lantau might not be a good location for constructing the proposed artificial islands, having regard to the possible impact on the existing navigation channels. He suggested that the Administration should consider joining the small islands in the waters between Cheung Chau and Peng Chau together by reclamation and connect them with East Lantau. In this way, not only would

land resources be generated, the external connectivity of these small islands, much needed by the residents, could also be enhanced.

42. SDEV responded that Mr CHAN's suggestion would be taken into account in the studies to be conducted at a later stage. He said that the proposed construction of artificial islands in the central waters would improve the connectivity between Lantau and Hong Kong Island.

Underground space development in strategic urban districts

43. The Panel noted that the Administration would conduct a pilot study on underground space development in four urban districts, viz. Causeway Bay, Happy Valley, Admiralty/Wan Chai and Tsim Sha Tsui West. Considering that there were already many commercial developments in the underground space in these built-up areas, Mr WU Chi-wai opined that it might be more effective to carry out the pilot study in NDAs. In reply, SDEV advised that most of the underground space to be covered by the pilot study was situated at Government sites and had considerable development potentials.

44. Ir Dr LO Wai-kwok opined that development of underground space to link up the buildings and facilities in busy areas would help create more space as well as enhance the connectivity, thus bringing more business opportunities to the shops above ground. He believed, with the experience gained from the construction of the Mass Transit Railway, the Administration should be able to resolve the land title issue concerning the ownership of underground space beneath private developments. Ag PS/DEV(W) acknowledged that there would be challenges ahead in the process of developing underground space. He asserted that there were ways to deal with the land title issue and the Administration would carry out detailed studies on the subject.

Commercial, retail and hotel developments

45. Mr YIU Si-wing said that most of the Mainlanders visiting Hong Kong with the "one-year multiple entry Individual Visit Scheme endorsement" came for the purpose of purchasing daily necessities. There were views proposing the provision of a shopping arcade near Lo Wu or Lok Ma Chau to cater for their demand. He enquired whether the Administration would consider acquiring privately-owned land in these areas to facilitate the implementation of the proposal. SDEV replied that under the existing policy, the Administration would not acquire land for providing shopping

arcades. To encourage the development of commercial facilities, the Administration had reserved land in HSK, Kwu Tung North and Fanling North NDAs for commercial use. Regarding Lok Ma Chau Loop, SDEV advised that the area would provide land mainly for the developments of tertiary education, research and development and other relevant industries, and the Administration had no intention to change the development plan.

46. Dr Priscilla LEUNG pointed out a case where a property owner had submitted a planning application to TPB for conversion of some floors of a residential building in Hung Hom to hotel use. She said that the residents of the building held the view that the proposed conversion, if permitted, would adversely affect the traffic conditions as well as the law and order in the area. Considering it undesirable to allow the operation of hotels/guesthouses in residential buildings and that the number of projected visitor arrivals would increase to over 70 million in 2017 according to the Assessment Report on Hong Kong's Capacity to Receive Tourists, she enquired whether the Administration would reserve land outside residential areas for hotel developments, instead of allowing hotels to be mixed with residential units.

47. PS/DEV(P&L) replied that under the existing town planning regime, owners were allowed to submit planning applications for conversion of use of their buildings to TPB for approval. In considering such applications, TPB would take into account a host of factors including the impact of the proposals on the surrounding environment and infrastructural facilities, etc. Moreover, statutory procedures were in place for the public to make representations to TPB in respect of the applications. On the provision of land for hotel developments, PS/DEV(P&L) advised that DEVB would continue to liaise closely with the Commerce and Economic Development Bureau and the Tourism Commission and would reserve land resources to meet the policy objectives under their purview.

48. Dr Kenneth CHAN said he had alerted the Administration about two months before that the stone wall trees situated at the site of the Hopewell Centre II project had been found damaged. He questioned the Administration about its position on tree protection in private developments.

49. Dr Priscilla LEUNG expressed concern about the hygiene conditions at the Cheung Sha Wan Wholesale Food Market. She enquired whether the Administration would include the relocation of the Market in its planning for developing a waterfront promenade in Sham Shui Po. SDEV responded that PlanD would continue to liaise with FHB on the reprovisioning of the existing facilities in the Market.

Review of use of industrial land

50. Mr Michael TIEN opined that the Administration should consider rezoning the industrial land located to the west of Tai Chung Road, Tsuen Wan, for comprehensive development. He said that in view of the size and the maximum allowed PR of the area, it was not an effective way of use of land resources to restrict that area to logistics use. SDEV noted Mr TIEN's view and advised that a new round of review of industrial land was being conducted for completion within this year.

Urban renewal

51. Mr WU Chi-wai opined that as the Urban Renewal Authority ("URA") was required to run on a self-financing model under the existing policy, it might need to leave out those redevelopment projects which were of great community interests but would not generate adequate financial returns. He queried whether the self-financing requirement for URA should be maintained.

52. SDEV responded that in formulating the revised Urban Renewal Strategy in 2011, there had been a consensus among the public that URA should be self-financing in the long run. That said, URA's projects were not profit-driven. There was no lack of redevelopment projects, such as the one at Kai Ming Street, which were financed by the surplus earned by URA's other projects. In response to the Deputy Chairman's enquiry about the timetable for the review of the Demand-led Redevelopment Project Pilot Scheme, SDEV said that URA would soon review the pilot scheme with a view to achieving, inter alia, a better rationalization of resources deployed for the scheme vis-à-vis its self-initiated redevelopment programme.

Cycle track network in the New Territories

53. Mr YIU Si-wing opined that the initiative to develop a cycle track network from Ma On Shan to Tuen Mun would improve to a certain extent the quality of life of Hong Kong people and facilitate tourism development. He said that the Administration was carrying out a pilot scheme in Tai Po ("the Tai Po Pilot Scheme") under which new improvement measures to cycle tracks would be implemented, and had commissioned a consultancy study on how to implement the same measures in nine other new towns. He enquired about the progress of these initiatives.

Admin

54. Ag PS/DEV(W) replied that while he did not have the relevant information about the Tai Po Pilot Scheme at hand, he understood that the scheme was under the purview of the Transport Department. This would be ascertained and the relevant information would be provided to the Panel later on. He continued that the Administration was developing in phases a cycle track of approximately 82 kilometres from Ma On Shan to Tsuen Wan via Sheung Shui, Fanling, Yuen Long and Tuen Mun and strived to complete the project as soon as possible.

Heritage conservation

55. Mr LEUNG Che-cheung said that the fortified structure at No. 55 Ha Pak Nai, Yuen Long, was exposed to erosion and had a risk of collapse. He urged the Administration to take action to preserve the historical building and cater for the aspirations of the existing occupants to build new houses, such as licensed structures, at a site in the vicinity. Deputy Secretary (Works)1, DEVB, responded that the Administration would contact the occupants to understand the situation and their needs. He added that in the case of privately-owned graded historic buildings, financial assistance was available for owners to carry out maintenance works .

Work of the Buildings Department

56. Referring to the Ombudsman's criticism in its direct investigation report on the Special Procedures of the Buildings Departments for handling unauthorized building works ("UBWs") cases involving celebrities, Mr WONG Kwok-hing sought clarification on whether the approach adopted by the Buildings Department ("BD") in the handling of cases involving celebrities was different from that for other cases. SDEV responded that the report had stated that there was no evidence to prove that BD had been particularly lax in dealing with celebrity cases. Director of Buildings advised that since mid-2011, BD had been following a set of special procedures for handling celebrity cases, under which BD would accord priority to carrying out site inspection for these cases to ascertain the existence of the reported UBWs so that the Administration could respond to media enquiries with the objective of clearing any public concerns as soon as possible. As far as law enforcement was concerned, a UBWs case involving a celebrity would be handled in exactly the same way as other cases. He clarified that one of the observations in the report was that there had been delays in the handling of UBW cases in general, but the report had not stated that the delays had only occurred in the handling of celebrity cases.

57. Mr Albert CHAN urged the Administration to work out policies and administrative measures to assist the elderly flat owners who were required to demolish UBWs but had learnt that the structures contained asbestos materials. As the demolition works for such structures were costly, these elderly owners had financial difficulties in arranging such works.

Manpower in the civil service and the construction industry

58. The Deputy Chairman enquired about the measures to be taken by the Administration to handle the increasing workload generated from its tasks to press ahead various housing supply initiatives. Miss Alice MAK remarked that the Administration should make clear whether BD had sufficient manpower to handle the workload arising from the Mandatory Window Inspection Scheme, cases of water seepage and UBWs, etc. Ir Dr LO Wai-kwok said that although some posts of professional grade had been created in the civil service to cope with the workload generated from its new initiatives, the Administration should pay equal regard to the increasing workload of the supporting staff.

59. SDEV admitted that the tasks arising from the initiatives to increase land supply and to enhance building safety had led to heavy workloads and tremendous work pressure on civil servants in the relevant bureaux and departments. He said that a cross-disciplinary team would be set up in DEVB to provide professional and administrative support for the implementation of such tasks. Ag PS/DEV(W) continued that the Administration would continue to keep the manpower situation of professional and technical grades under review and, if necessary, propose the creation of new posts to meet practical needs.

60. In response to the Deputy Chairman's concern about the tight manpower supply in the construction industry to carry out the major infrastructural projects, Ag PS/DEV(W) advised that the Administration had secured the Finance Committee's approval for a funding of \$320 million in 2010 and 2012 to support the Construction Industry Council ("CIC") to strengthen its work in the training of local construction personnel. In collaboration with CIC, the Administration had launched a series of measures including the Enhanced Construction Manpower Training Scheme and the Contractor Cooperative Training Scheme to attract more new entrants to the industry and provide more training places for in-service workers. Ag PS/DEV(W) assured members that the Administration would continue to closely monitor the manpower situation in the construction industry.

Water supply to remote areas

61. Miss Alice MAK said that more than 20 villages in Hong Kong including Po Toi Island had no supply of treated water. She urged the Administration to address the water supply problem in these villages.

V Any other business

62. There being no other business, the meeting ended at 4:40 pm.

Council Business Division 1
Legislative Council Secretariat
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