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#### **Panel on Development**

Meeting on 27 May 2014

#### Updated background brief on planning and engineering study for housing sites in Yuen Long south

#### Purpose

This paper sets out the background to the Administration's planning and engineering study for housing sites in Yuen Long south ("the Study") and a brief account of the views and concerns expressed by Members during past discussions on the subject in the meetings of the Panel on Development ("DEV Panel") and the Public Works Subcommittee ("PWSC").

#### Background

2. Yuen Long south ("YLS"), comprising the rural land south of Yuen Long Highway, is generally characterised by haphazard low-density housing, informal industrial activities and open storage. According to the Administration, since YLS is located in proximity to the Yuen Long, Tuen Mun and Tin Shui Wai new towns, and the proposed new development area in Hung Shui Kiu, as well as connected with the urban areas by strategic road links including Route 3 and Yuen Long Highway, the area has the potential to accommodate more housing developments with higher development intensity.

3. Following the announcement in the 2011-2012 Policy Address to adopt a multi-pronged approach to expanding land resources, including exploring the possibility of converting into housing land some 150 hectares ("ha") of agricultural land in Yuen Long and the North District currently

used mainly for industrial purposes or temporary storage, or which is deserted, the Administration proposed to carry out the Study.

## Planning and engineering study for housing Sites in Yuen Long south

4. To ensure the integrity and accuracy of the technical assessments, the Study covers an area of about 1 500 ha in YLS ("the Study Area") inclusive of the proposed Potential Development Areas ("the PDAs")<sup>1</sup> as shown in **Appendix I**. The purpose of the Study is to review the development potential of the Study Area so as to identify housing sites in the PDAs for private and public housing purposes with infrastructure improvement works. DEV Panel discussed the Administration's proposal to carry out the Study in May 2012. On the recommendation of PWSC, the Finance Committee ("FC") approved a funding proposal at an estimated cost of \$49.5 million in July 2012 for conducting the Study.

5. According to the Administration, the Study includes, inter alia, the preparation of the Preliminary Outline Development Plan ("PODP"), the Recommended Outline Development Plan ("RODP") and the preliminary Layout Plans. A three-stage community engagement ("CE") to gauge public views on the vision and key issues of the Study will be undertaken with a view to formulating RODP and the Recommended Layout Plans. The two-month Stage 1 CE, the objective of which was to solicit public views on the development opportunities and constraints/key issues and guiding principles, was launched on 16 April 2013. The Administration briefed members on the Stage 1 CE for the Study at the DEV Panel meeting The opportunities identified by the Study for on 23 April 2013. developing YLS, the constraints/key issues to be addressed in the Study, and the guiding principles for the Study are set out in Appendices II and III.

## Development intensity of the proposed Potential Development Areas

6. While the DEV Panel supported the Study in principle, some members opined that the scope of the Study should cover issues relating to relaxing the plot ratio for residential developments at the PDAs without compromising a sustainable green living environment. There were

<sup>&</sup>lt;sup>1</sup> The total area of the PDAs, comprising two areas around Kung Um Road and Tong Yan San Tsuen respectively, is about 200 ha. According to the Administration, the location and extent of the PDAs are tentative and subject to adjustment during the course of the Study.

suggestions that high-density developments should be located around the railway stations and the transport nodes, while the sites near environmentally sensitive areas, such as country parks, should be restricted to low-density developments as far as possible. Some members stressed the need to preserve the characteristics of the localities in developing YLS and that over-provision of high-density residential buildings in the area should be avoided. Consideration should be given to provision of medium-capacity public transport in the PDAs.

7. The Administration advised that the development intensity of the PDAs would be assessed in the Study in light of the existing and planned infrastructure developments, as well as the development characteristics of the Yuen Long new town located in the north of the PDAs and the Tai Lam Country Park in the south. It would strive to maintain a balance in meeting the growing demand for housing and providing a sustainable and pleasant living environment in YLS.

## Implementation of the development proposals

8. During the discussion of DEV Panel and PWSC on the subject, some members opined that the Study would be a challenge to the Administration in view of the various technical issues involved, such as land resumption, rehousing arrangements for affected residents, enforcement against illegal land occupation, and reprovisioning for the affected industries in the rural areas. The Administration should review the land resumption policy timely to ensure that the compensation and rehousing arrangements were comprehensive and flexible enough to cater for the needs and aspirations of clearees. Some members suggested that if large developers were allowed to pursue their own housing development projects in the PDAs with the land they had acquired, the development process could be shortened.

9. The Administration explained that private land would only be acquired in the public interest for infrastructures and public housing developments. In view of the complex land ownership issues in the PDAs, Study would carefully examine and recommend a suitable the implementation approach for developing the PDAs with a view to striking a balance between respecting private land ownership and the need for development in the light of public views to be collected during the CE exercises. Of the 200 ha of land in the PDAs, 170 ha were privately The PDAs mainly covered land currently occupied by open owned. and rural industries including those falling within the storage "undetermined" zone. Unlike other studies on new towns and new

development areas which were large-scale development projects, the Study aimed to identify possible housing sites in YLS through re-planning and re-zoning for residential use. Furthermore, the land zoned for "Village Type Development" on the relevant Outline Zoning Plans, such as the land in Tai Tong, would not be included in the Study. Despite that the PDAs did not cover villages which had long existed, some residents might be affected by the proposed development. The Study would take into account the possible impact of the development on these residents.

As regards rehousing and compensation arrangements, 10. the Administration proposed in July 2013 to relax the eligibility criteria of four ex-gratia allowances ("EGAs"), namely, EGA for Permitted Occupiers; Domestic Removal Allowance; EGA for Shops, Workshops, Godowns, Slipways, Schools, Churches, and Ornamental Fish Breeding Undertakings; and EGA for the Clearance of Graves, Kam Taps and Shrines as well as to increase some of the compensation rates so that more people would be eligible for a higher amount of compensation. The Administration also proposed to enhance the rehousing arrangements by allowing eligible clearees to either choose to be rehoused to public housing units, or to substitute it by EGA for Permitted Occupiers<sup>2</sup>. The proposal was in general supported by members of the DEV Panel and was approved by FC in December 2013. The enhancements are applied by the Administration to all on-going and future land resumption and clearance exercises as of 15 July 2013.

#### Land use

11. Some DEV Panel members considered that the Administration should take immediate action to improve the land uses and environment in YLS. In taking forward the planning and development of the PDAs, the Administration should allow the existing industrial operations and economic activities to continue and put them on the right track. However, it would be a challenge for the Administration to allow such operations to co-exist alongside agricultural activities and the future residential development in a harmonious way.

12. The Administration advised that 47% of the land in the PDAs was currently occupied by open storage and it was not an effective way of land utilization. If the storage yards were not container-related, the operations might be accommodated in multi-storey industrial buildings or warehouses.

<sup>&</sup>lt;sup>2</sup> Details of the proposal are given in the Administration's paper (LC Paper No. CB(1)1543/12-13(02)) (http://www.legco.gov.hk/yr12-13/english/panels/dev/papers/dev0722cb1-1543-2-e.pdf).

The Study would assess the socio-economic impact of the phasing-out of these uses. Based on the results of the assessment, the Administration would consider whether it should earmark some sites in YLS or other areas to consolidate these storage yards.

## Public consultation

13. Some DEV Panel members were concerned how the Administration would weigh the diverse views of different stakeholders on Some urged the Administration to draw the development of YLS. reference to past experience in public consultation on development projects so as to improve the approach for collecting and assessing public views A preliminary proposal should be formulated under the CE in the Study. for public comments. The Administration advised that based on the public views collected from Stage 1 CE together with the results of technical assessments on the traffic and other infrastructure facilities in the Study Area, the Administration would work out the PODP for YLS for the Stage 2 CE.

### Unauthorized uses of land in the proposed Potential Development Areas

14. On members' concerns about the unauthorized uses of land in the PDAs, the Administration advised that it had taken enforcement action against such uses having regard to the established procedures and the relevant statutory powers under the Town Planning Ordinance (Cap. 131). Such action would not impede the progress of the Study. Some members opined that the unauthorized or non-compliant uses should not be regularized as a result of the Study.

#### Other studies on land development in Yuen Long

15. As a number of studies had been conducted on land development in Yuen Long, including the studies on YLS, Hung Shui Kiu and Kam Tin South, there were concerns about the timeframe for the development of these areas and how these studies would help address the pressing housing problem in Hong Kong. Some DEV Panel members opined that, to ensure effective use of public money, the Administration should only devote resources to the sites that were practically suitable for development.

## **Recent developments**

16. In his 2014 Policy Address, the Chief Executive announced that the Administration was reviewing a total of about 257 ha of agricultural land which was currently used mainly for industrial purposes, temporary storage, or deserted in North District and Yuen Long, with a view to identifying more suitable sites for housing development as soon as possible.

17. The Administration will brief DEV Panel at its meeting on 27 May 2014 on the public comments received during the Stage 1 CE of the Study, the PODP for YLS and the Stage 2 CE.

### **Relevant papers**

18. A list of relevant papers is shown in **Appendix IV**.

Council Business Division 1 Legislative Council Secretariat 20 May 2014

# 元朗南房屋用地規劃及工程研究 —— 具發展潛力區位置圖 Planning and engineering study for housing sites in Yuen Long south --Location plan of Potential Development Areas

附錄I

**Appendix I** 



*資料來源: 政府當局就元朗南房屋用地規劃及工程研究 —— 勘查研究 —— 第一階段社區參與提交的文件(立法會CB(1)862/12-13(05)號文件)* (<u>http://www.legco.gov.hk/yr12-13/chinese/panels/dev/papers/dev0423cb1-862-5-c.pdf</u>)

Source: Administration's paper on Planning and Engineering Study for Housing Sites in Yuen Long South -- Investigation -- Stage 1 community engagement (LC Paper No. CB(1)862/12-13(05))(<u>http://www.legco.gov.hk/yr12-13/english/panels/dev/papers/dev0423cb1-862-5-e.pdf</u>)

### Opportunities and constraints/key issues associated with the development of Yuen Long south

The opportunities for developing Yuen Long south ("YLS") and the constraints/key issues that need to be addressed in the planning and engineering study for housing sites in YLS are set out in the Administration's paper for the meeting of the Panel on Development on 23 April 2013<sup>3</sup> as follows:

#### **Opportunities**

- (a) Housing land supply -- Being in close proximity to Yuen Long New Town, the proposed Hung Shui Kiu ("HSK") New Development Area ("NDA") and Yuen Long Highway ("YLH"), the area may have potential for more intensive development to provide a source of housing land supply.
- (b) Improvement of living environment -- A large part of the PDAs is currently occupied by haphazard open storages, rural workshops and warehouses (about 93 ha, 47% of the total area of the PDAs). Proliferation of these uses has degraded the environment and posed industrial/residential interface problems such as noise and air pollution, conflict between pedestrians and freight traffic, fire risk, localised flooding, etc. The development of YLS can improve the living environment through proper land use planning, urban design and provision of infrastructure and GIC facilities.

Constraints/Key Issues

(c) Traffic -- YLS is not served by railway and YLH is the only strategic road linking YLS with the urban area, but there is no direct access to YLH. Widening of the sub-standard local roads with pedestrian facilities is constrained by drainage channels and existing developments. Connectivity of YLS with Yuen Long New Town and the proposed HSK NDA will also have to be addressed.

<sup>&</sup>lt;sup>3</sup> LC Paper No. CB(1)862/12-13(05) (http://www.legco.gov.hk/yr12-13/english/panels/dev/papers/dev0423cb1-862-5-e.pdf)

- (d) Sewerage and Drainage Most areas in YLS are not served by public sewerage system. Sewage discharge from the YLS development to Deep Bay will have to meet the "No Net Increase in Pollution Loads to Deep Bay Requirement". Moreover, the YLS development may also have some impact on the existing drainage system, and that needs to be addressed in the Study.
- (e) Cavities -- Large portions of the PDAs are located within areas underlain by marble that may have cavities and voids containing weak and unconsolidated materials. They pose challenges to the construction of foundations.
- (f) Environment -- Environmental impacts from YLH may pose constraints on the future developments. Development proposals have to comply with the new Air Quality Objectives.
- (g) Existing residential communities and agricultural land -- There are low-rise residential developments, indigenous and non-indigenous villages, graves as well as some agricultural land. The formulation of development proposals will need to take into account the well-established residential communities and active agricultural land that is contiguous and sizeable and will minimise impacts on them as far as practicable.
- (h) Other important resources -- There are cultural heritage, natural landscape resources and ecologically important features in the Study Area, such as the stream in Yeung Ka Tsuen, Tai Tong egretry and Tai Lam Country Park. These features, as well as the characters of the surroundings, will be taken into consideration when formulating development proposals.
- (i) Implementation -- The Study will examine the implementation approach. About 85% of the land in the PDAs is under private and multiple ownership and some of it is held by "Tso/Tong". With regard to the existing industrial operations, open storage, warehouses and workshops, the Study will review if there is a need to retain any land for these uses in YLS and assess the socio-economic impact if these uses are to be phased out from the area.
- Source: The Administration's paper on Planning and engineering study for housing sites in Yuen Long south -- Investigation -- Stage 1 Community Engagement (LC Paper CB(1)862/12-13(05))

#### **Appendix III**

#### Guiding principles for the planning and engineering study for housing sites in Yuen Long south

- (a) to turn the degraded brownfield land to beneficial uses and to optimise the development potential of YLS to meet housing and other land use needs with supporting infrastructure improvement, community facilities and open space;
- (b) to improve the existing living environment, to address the industrial/residential interface problems and to create a sustainable and livable neighbourhood in YLS with opportunities to provide greening, breezeways and landscape enhancements including the possibility to landscape the existing drainage channel along Kung Um Road;
- (c) to take into consideration the existing local character of the adjacent villages and the cultural heritage in formulating land use proposals and development intensity;
- (d) to take into consideration the existing villages (both indigenous and non-indigenous) and existing active agricultural land that is contiguous and sizeable as well as graves in the foothill areas;
- (e) to take into consideration the natural landscape resources and ecologically important features, including old and valuable trees, the stream in Yeung Ka Tsuen, Tai Tong egretry and Tai Lam Country Park; and
- (f) to integrate and enhance connectivity with Yuen Long New Town and surrounding developments including village settlements and the proposed HSK NDA.
- Source: The Administration's paper on Planning and engineering study for housing sites in Yuen Long south -- Investigation -- Stage 1 Community Engagement (LC Paper CB(1)862/12-13(05))

## Planning and engineering study for housing sites in Yuen Long south

## List of relevant papers

Council/Committee	Date of meeting	Paper
Panel on Development	22 May 2012	Administration's paper on "PWP Item No. 752CL Planning and engineering study for housing sites in Yuen Long south consultants' fees and site investigation" (LC Paper No. CB(1)1875/11-12(04)) http://www.legco.gov.hk/yr11-12/english/p anels/dev/papers/dev0522cb1-1875-4-e.pdf Minutes of meeting (LC Paper No. CB(1)2522/11-12) http://www.legco.gov.hk/yr11-12/english/p anels/dev/minutes/dev20120522.pdf
Public Works Subcommittee Finance Committee	13 June 2012 13 July 2012	Administration paper on "752CL Planning and engineering study for housing sites in Yuen Long south consultants' fees and site investigation" (LC Paper No. PWSC(2012-13)35) http://www.legco.gov.hk/yr11-12/english/f c/pwsc/papers/p12-35e.pdf
		Minutes of meeting (LC Paper No. PWSC81/11-12) http://www.legco.gov.hk/yr11-12/english/f c/pwsc/minutes/pwsc20120613.pdf
Panel on Development	22 January 2013	Administration's paper on "2013 Policy Address Policy Initiatives of Development Bureau" (LC Paper No. CB(1)428/12-13(03)) <u>http://www.legco.gov.hk/yr12-13/english/p</u> <u>anels/dev/papers/dev0122cb1-428-3-e.pdf</u>

Council/Committee	Date of meeting	Paper
		Minutes of meeting (LC Paper No. CB(1)735/12-13) <u>http://www.legco.gov.hk/yr12-13/english/p</u> <u>anels/dev/minutes/dev20130122.pdf</u>
Panel on Development	23 April 2013	Administration's paper on Planning and Engineering Study for Housing Sites in Yuen Long South Investigation Stage 1 Community Engagement (LC Paper No. CB(1)862/12-13(05)) http://www.legco.gov.hk/yr12-13/english/p anels/dev/papers/dev0423cb1-862-5-e.pdf Minutes of meeting (LC Paper No. CB(1)1787/12-13) http://www.legco.gov.hk/yr12-13/english/p anels/dev/minutes/dev20130423.pdf
Panel on Development	22 July 2013	Administration's paper on proposed enhancements to the general ex-gratia compensation and rehousing arrangements for development clearance exercises (LC Paper No. CB(1)1543/12-13(02)) http://www.legco.gov.hk/yr12-13/english/pa nels/dev/papers/dev0722cb1-1543-2-e.pdf Minutes of meeting (LC Paper No. CB(1)640/13-14) http://www.legco.gov.hk/yr12-13/english/pa nels/dev/minutes/dev20130722.pdf
Finance Committee	15 November 2013 6 December 2013	Administration's paper on Capital Works Reserve Fund Head 701 Land Acquisition FCR(2013-14)33 <u>http://www.legco.gov.hk/yr13-14/english/f</u> <u>c/fc/papers/f13-33e.pdf</u> Minutes of meetings 15 November 2013 (LC Paper No. FC55/13-14)

Council/Committee	Date of meeting	Paper
Council/Committee	Date of meeting	http://www.legco.gov.hk/yr13-14/english/f c/fc/minutes/fc20131115.pdf 6 December 2013 (LC Paper No.
		FC50/13-14) http://www.legco.gov.hk/yr13-14/english/f c/fc/minutes/fc20131206.pdf