立法會 Legislative Council

LC Paper No. CB(1)931/15-16 (These minutes have been seen by the Administration)

Ref: CB1/PL/DEV

Panel on Development

Minutes of meeting held on Tuesday, 23 February 2016, at 2:30 pm in Conference Room 3 of the Legislative Council Complex

Members present: Hon Tony TSE Wai-chuen, BBS (Chairman)

Hon LEUNG Che-cheung, BBS, MH, JP (Deputy

Chairman)

Hon Albert HO Chun-yan Hon James TO Kun-sun

Hon CHAN Kam-lam, SBS, JP

Hon Frederick FUNG Kin-kee, SBS, JP

Hon Cyd HO Sau-lan, JP Hon CHAN Hak-kan, JP

Hon CHAN Kin-por, BBS, JP Hon IP Kwok-him, GBS, JP

Hon Mrs Regina IP LAU Suk-yee, GBS, JP

Hon Alan LEONG Kah-kit, SC

Hon LEUNG Kwok-hung Hon Albert CHAN Wai-yip

Hon Michael TIEN Puk-sun, BBS, JP Hon James TIEN Pei-chun, GBS, JP

Hon WU Chi-wai, MH Hon YIU Si-wing, BBS Hon CHAN Chi-chuen Hon CHAN Han-pan, JP

Dr Hon Kenneth CHAN Ka-lok Hon CHAN Yuen-han, SBS, JP Hon Alice MAK Mei-kuen, BBS, JP

Dr Hon KWOK Ka-ki

Dr Hon Fernando CHEUNG Chiu-hung

Dr Hon Helena WONG Pik-wan

Dr Hon Elizabeth QUAT, JP

Ir Dr Hon LO Wai-kwok, SBS, MH, JP

Member attending: Hon Steven HO Chun-yin, BBS

Members absent: Dr Hon LAU Wong-fat, GBM, GBS, JP

Hon Abraham SHEK Lai-him, GBS, JP

Public officers attending

: Agenda item V

Mr CHAN Chung-kun

Principal Assistant Secretary (Works)2 (Acting)

Development Bureau

Ms YING Fun-fong

Head (Kai Tak Office)

Civil Engineering and Development Department

Mr Harry MA Hon-ngai

Chief Engineer/Kowloon 3

Civil Engineering and Development Department

Agenda item VI

Mrs Dorothy MA CHOW Pui-fun

Principal Assistant Secretary for the Environment (Energy)

Mr Harry LAI Hon-chung, JP

Assistant Director/Electricity & Energy Efficiency Electrical and Mechanical Services Department

Mr CHEUNG Yuen-fong

Chief Engineer/Energy Efficiency B

Electrical and Mechanical Services Department

Agenda item VII

Mr HON Chi-keung, JP

Permanent Secretary for Development (Works)

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

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

Mr Daniel CHUNG Kum-wah, JP Director of Civil Engineering and Development

Mr LAM Sai-hung, JP Project Manager (Hong Kong Island and Islands) Civil Engineering and Development Department

Mr Raymond LEE Kai-wing, JP Deputy Director of Planning/District

Ms Amy CHEUNG Yi-mei Assistant Director of Planning/Territorial

Agenda item VIII

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

Mr LAI Cheuk-ho Principal Assistant Secretary (Works)5 Development Bureau

Mr LAM Sai-hung, JP Project Manager (Hong Kong Island and Islands) Civil Engineering and Development Department

Ms Phyllis LI Chi-miu, JP Deputy Director of Planning/Territorial

Ms Amy CHEUNG Yi-mei Assistant Director of Planning/Territorial **Clerk in attendance**: Ms Sharon CHUNG

Chief Council Secretary (1)2

Staff in attendance: Mr Fred PANG

Senior Council Secretary (1)2

Mr Raymond CHOW

Senior Council Secretary (1)6

Ms Maggie LAU

Council Secretary (1)2

Ms Christina SHIU

Legislative Assistant (1)2

Action

I Confirmation of minutes

(LC Paper No. CB(1)561/15-16

-- Minutes of meeting on 22 December 2015)

The minutes of the regular meeting on 22 December 2015 were confirmed.

II Information papers issued since the last meeting

(LC Paper No. CB(1)564/15-16(01) -- Administration's response to

the letter dated 14 December 2015 from Hon Alice MAK on protection of personal data in the Land Register (LC Paper No.

CB(1)318/15-16(01))

LC Paper No. CB(1)566/15-16 (01) -- Letter dated 15 February

2016 from Hon Tommy CHEUNG Yu-yan on issues related to the Water Supplies Department's processing of applications from restaurants for carrying out waterworks)

2. <u>Members</u> noted that the above information papers had been issued since the last meeting.

Action - 5 -

III Items for discussion at the next meeting

(LC Paper No. CB(1)559/15-16(01) -- List of outstanding items for discussion

LC Paper No. CB(1)559/15-16(02) -- List of follow-up actions)

- 3. <u>Members</u> agreed that the next regular meeting scheduled for Tuesday, 15 March 2016, at 9:00 am would be extended to end at 12:15 pm to discuss the following items proposed by the Administration --
 - (a) Project Cost Management Office;
 - (b) PWP Item No. 3775CL -- Demolition of existing structures in Sites A and B1 of the Sung Wong Toi Vehicle Repair and Maintenance Workshop;
 - (c) PWP Item No. 350WF -- Improvement of water supply to Sheung Shui and Fanling; and
 - (d) PWP Item No. 765CL Development of Anderson Road Quarry Site

(*Post-meeting note*: The notice and agenda of the meeting on 15 March 2016 were issued to members on 24 February 2016 vide LC Paper No. CB(1)607/15-16.)

4. <u>Dr Fernando CHEUNG</u> said that the media had reported a case in which the Administration had changed its plan from providing 17 000 public housing units at a potential housing site in Wang Chau to providing only a few thousand units because of the opposition of some people who had interest in the site. He was concerned that as reported, the site had been suspected to be illegally occupied for making profits, and expressed doubt on whether the Lands Department had dutifully performed its work against illegal occupation of Government land. He suggested that the related matters be discussed at a Panel meeting as soon as possible. <u>The Chairman</u> said that the Clerk would request the Administration to provide a written response to the issues raised by Dr CHEUNG. In light of the information to be provided by the Administration, the Panel might consider the suggestion of discussing the issues at a future meeting.

(Post-meeting note: The Administration's written response to the issues raised by Dr Fernando CHEUNG was issued to members on 21 March 2016 vide LC Paper No. CB(1)707/15-16(01).)

5. Referring to item VIII ("Proposed development strategy for Lantau") on the agenda of the meeting, Dr Fernando CHEUNG suggested that a special meeting should be held for the Panel to receive public views on the Miss CHAN Yuen-han considered it important for the Administration to ensure the transparency of its work in respect of the future development of Lantau. The Chairman suggested and members agreed that the Panel would receive public views on the proposed development strategy for Lantau at a special meeting to be scheduled.

IV **Proposed visit to Dongjiang**

(LC Paper No. CB(1)305/15-16(01) -- Letter dated 11 December 2015 from Dr Hon Helena WONG quality on of Dongjiang water

LC Paper No. CB(1)442/15-16(02) -- Administration's response to the letter dated 11 December 2015 from Dr Hon Helena WONG on quality Dongjiang water (LC Paper No. CB(1)305/15-16(01)))

- 6. The Chairman advised that Dr Helena WONG had requested at the previous meeting to follow up the suggestion in her letter to the Chairman dated 11 December 2015 (LC Paper No. CB(1)305/15-16(01)) of arranging a visit of the Panel to Dongjiang, and the Clerk had issued a circular (LC Paper No CB(1)519/15-16) on 1 February 2016 seeking members' views on the suggestion. In the reply to the circular, some members requested that the suggestion be discussed at a Panel meeting. The Chairman invited members to give views on Dr WONG's suggestion.
- Mr YIU Si-wing said that apart from conducting on-site visits to 7. places such as Dongjiang catchment areas near Huizhou, Shenzhen Reservoir, etc., the proposed duty visit should also aim at providing participants with a comprehensive understanding of the measures taken by relevant authorities in respect of water resource management and environmental protection, so that the delegation could form a balanced view on the Dongjiang water supply system. The Chairman remarked that

members might also consider obtaining information on the comprehensive remediation project for the water environment of the Sha Wan River Basin through the visit.

- 8. <u>Dr Helena WONG</u> said that as Dongjiang was the major source of water for Hong Kong, the Panel should conduct the proposed duty visit to have a better understanding of the Dongjiang water supply system, the measures to ensure the safety of Dongjiang water supplied to Hong Kong, the implementation of water pollution preventive works and the flood control programme, etc. She said that the duty visit should be conducted shortly, say in April 2016, so that the Panel could discuss the subject with the Administration in light of the findings of the visit at a meeting within the current Legislative Council ("LegCo") term.
- 9. <u>The Chairman</u> concluded that members had no objection in principle to the suggestion of arranging a visit of the Panel to Dongjiang. He would follow up the suggestion with the Administration. Subject to the response of the Administration, the Panel would consider the date and other details of the visit.

(*Post-meeting note*: The Administration's written response was circulated to members vide LC Paper No. CB(1)798/15-16(01) on 14 April 2016 and discussed at the meeting on 26 April 2016.)

V PWP Item No. 469CL (part) -- Kai Tak Development -- Stages 3B and 5A infrastructure works at north apron area of Kai Tak Airport and progress report on Kai Tak Development

(LC Paper No. CB(1)559/15-16(03) -- Administration's paper on 469CL -- Kai Tak

Development -- infrastructure at north apron area of Kai Tak Airport and progress report on Kai Tak

Development

LC Paper No. CB(1)559/15-16(04) -- Paper on Kai Tak
Development prepared by
the Legislative Council
Secretariat (Updated
background brief))

10. <u>Principal Assistant Secretary (Works)2 (Acting)</u>, <u>Development Bureau</u> ("PAS/DEV(W)2") briefly reported the progress of the Kai Tak

Development ("KTD"), and advised that the proposal presented to the meeting was about upgrading PWP Item No. 469CL, at an estimated cost of about \$2,200 million, for the construction of Stages 3B and 5A infrastructure works at the former north apron area of KTD ("the proposed project"). With the aid of a powerpoint presentation, Head (Kai Tak Office), Civil Engineering and Development Department ("H/KTO/CEDD"), and Chief Engineer/Kowloon 3, Civil Engineering and Development Department ("CE(K)3/CEDD"), briefed members on the progress of KTD, and the proposed project including its scope, cost breakdown and timetable, etc. The progress report on KTD and details of the proposed project were given in the Administration's paper (LC Paper No. CB(1)559/15-16(03)).

(*Post-meeting note*: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)600/15-16(01) by email on 24 February 2016.)

11. <u>The Chairman</u> 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

Pedestrian subways

- 12. Mr YIU Si-wing enquired whether the Administration would provide pedestrian facilities, other than the two pedestrian subways (i.e. SW4 and SW6) under the proposed project, to connect KTD with its neighbouring districts. He opined that the patronage of the two subways would be low and might become places where street sleepers gathered, if members of the public preferred to use other at-grade or elevated pedestrian crossing facilities rather than the proposed subways in future.
- 13. <u>Miss CHAN Yuen-han</u> recalled that the development plan for KTD prepared by the Administration had included a number of measures to enhance the pedestrian connectivity between KTD and its neighbouring districts such as the areas around Sa Po Road and Rhythm Garden. She enquired whether the Administration would take forward these measures as planned.
- 14. <u>H/KTO/CEDD</u> replied that the former north apron area of KTD was bounded by Prince Edward Road East ("PERE"), and PERE was a road with busy traffic. To facilitate pedestrians travelling between KTD and its neighbouring districts to cross PERE, apart from carrying out improvement

works in the existing pedestrian subways along PERE, the Administration would provide as part of the development plan for KTD in total 13 sets of pedestrian subways/footbridges. These new and existing facilities would be provided at locations convenient for local residents to meet their needs of travelling to and from schools, passenger pick-up/drop-off points and community facilities. CE(K)3/CEDD advised that as there were a number of vehicular flyovers at PERE, the Administration considered it more appropriate to provide subways instead of elevated walkways above the flyovers to facilitate pedestrians crossing PERE. He said that the Administration would ensure a good level of illumination inside the subways to enhance pedestrian safety. Dr Fernando CHEUNG remarked that to tackle the street sleeper problem, the Administration should address the inadequate supply of public rental housing units in Hong Kong.

- 15. In response to the enquiries of Dr Helena WONG and Miss CHAN Yuen-han on whether the Administration would provide elevators at the proposed pedestrian subway SW4 to facilitate pedestrian access for the elderly and wheelchair users, H/KTO/CEDD replied in the affirmative. Miss CHAN said that many elderly residents in Choi Hung Estate might wish to use the new subway. The capacity of SW4 and the lifts to be installed in the subway should be made adequate to cope with the demand. CE(K)3/CEDD responded that SW4 was about 180 metres long and 3.5 metres wide. He advised that there would be a lift at each end of the subway. Each lift had a designed capacity of 12 passengers, and the waiting and journey time for lift service would each be about 30 seconds.
- 16. <u>Dr Helena WONG</u> said that the primary schools and the proposed entrances of SW4 in KTD were segregated by a road. She enquired whether the Administration would provide an additional entrance to SW4 at the Government, Institution or Community ("GIC") site where the primary schools were located so that students who needed to travel between the primary schools and Choi Hung Estate might cross the road using SW4 instead of at-grade pedestrian crossing facilities.
- 17. <u>CE(K)3/CEDD</u> replied that it might not be feasible for the Administration to extend SW4 as suggested by Dr WONG due to space constraints. The Administration would liaise with the Transport Department on possible measures to better protect the students using the at-grade pedestrian crossing facilities near the primary schools. <u>The Chairman</u> asked the Administration to give further consideration to Dr WONG's suggestion. In response to Dr WONG's enquiry about the use of the GIC site adjacent to

Action - 10 -

the site where the primary schools were located, <u>CE(K)3/CEDD</u> advised that a secondary school would be provided at the site.

- 18. Mr WU Chi wai enquired whether the Administration had any plan to improve the integration of SW4 with the nearby subway connecting various public housing estates including Choi Hung Estate, Kai Yip Estate, Ping Shek Estate, etc. He suggested that the Administration should consider providing a cover for the existing walkway between the two subways. Miss CHAN Yuen-han opined that the Administration should give consideration to the suggestion of Mr WU. H/KTO/CEDD responded that the Administration would consider Mr WU's suggestion.
- 19. <u>Miss CHAN Yuen-han</u> said that the proposed scope of the Stage 5A works included a pedestrian subway SW6 of about 120 metres long across PERE connecting the future preservation corridor for the Lung Tsun Stone Bridge ("LTSB") remnants. She enquired whether the proposal was part of the Administration's original preservation plan for LTSB. She further enquired about the Administration's latest position regarding the preservation of archaeological discoveries at the To Kwa Wan Station of the Shatin to Central Link as the construction of a proposed subway connecting the Station to Ma Tau Kok had been withheld pending the conservation option of the archaeological discoveries.
- 20. <u>H/KTO/CEDD</u> replied that the proposed SW6 was aimed at connecting the future preservation corridor for LSTB remnants and Shek Ku Lung Road Playground. As regards the archaeological discoveries at the To Kwa Wan Station, the Administration was consulting the Antiquities Advisory Board on the conservation options. <u>Miss CHAN</u> opined that the Kai Tak Office ("KTO") should ensure that relevant government departments and organizations should pay due regard to the public aspirations for conserving the remnants. In response, <u>H/KTO/CEDD</u> assured members that KTO would continue to keep in view the matter.

Landscaped elevated walkway

21. Mr WU Chi-wai said that the proposed project included the provision of a landscaped elevated walkway LW4 across PERE connecting San Po Kong and the former north apron area. He enquired about the types of plants to be provided along LW4 and the measures to maintain the cleanliness and hygiene of the facilities. CE(K)3/CEDD replied that the Leisure and Cultural Services Department ("LCSD") would be responsible for maintaining the plants and landscape at LW4. Appropriate maintenance

Action - 11 -

facilities such as an irrigation system would be provided. In response to Mr WU's enquiry on whether the space reserved for providing the planting area could be used to make room for meeting increased pedestrian flow in future, <u>H/KTO/CEDD</u> advised in the affirmative. She added that LW4 should have ample capacity to meet future pedestrian demand. Under the proposed design, the whole elevated walkway had a width of 10 metres and the part reserved for pedestrian movements was 6 metres wide.

22. The Chairman opined that the Administration should continue to provide landscape on elevated walkways to enhance their appearance. He further said that the Administration should decide whether space should be provided on elevated walkways for display of government publicity materials at the planning and design stage, instead of pursuing the suggestion only after the construction of the elevated walkways.

Parking spaces on Sze Mei Street

- 23. <u>Miss CHAN Yuen-han</u> enquired about the Administration's measures to address the impact of loss of goods vehicle parking spaces at Sze Mei Street caused by the relevant infrastructure works in KTD. <u>H/KTO/CEDD</u> replied that all the existing parking spaces for goods vehicles at Sze Mei Street and other streets in San Po Kong within the project limit of Stage 3A Infrastructure Works at the former north apron of KTD would be re-provided upon completion of the project. The Administration had taken into account the views received from the affectees of Stage 3A infrastructure works when working out the re-provisioning plan.
- 24. <u>Miss CHAN Yuen-han</u> and <u>Mr WU Chi-wai</u> stressed the importance for the Administration to provide sufficient parking spaces to meet the parking demand in the area concerned. In response to Mr WU Chi-wai's enquiry on whether the reprovisioning arrangement was permanent, <u>H/KTO/CEDD</u> advised in the affirmative. <u>Mr WU</u> requested the Administration to provide information on the total number of goods vehicle parking spaces on Sze Mei Street, and the number of them that would be affected by the relevant infrastructure works; the number of goods vehicle parking spaces to be re-provided; details of the sites for re-providing the parking spaces.

(*Post-meeting note*: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)651/15-16(01) on 8 March 2016.)

Traffic in KTD

Action - 12 -

- 25. Mr Frederick FUNG and Dr Helena WONG enquired about the measures to be taken by the Administration to ease the congestion of PERE. Mr FUNG said that the Administration had advised at the meeting in April 2015 that upon completion of Road D2, the vehicular and pedestrian traffic from To Kwa Wan Road could access Kowloon Bay and Kwun Tong areas directly via Road D2 without the need to route through PERE. He asked about the progress of constructing Road D2, and whether, before the completion of construction of Road D2, the Administration would put in place temporary measures to divert part of the existing busy traffic from PERE.
- 26. <u>H/KTO/CEDD</u> replied that the construction of Road D2 was anticipated to be completed by end 2016 or early 2017. There had been views suggesting the provision of a temporary vehicular access across the former north apron area so as to divert part of the busy traffic from PERE. As more than 80% of the former north apron area was currently occupied as works areas, providing such a temporary access road was unsafe and would hinder the progress of the construction works. In response to Mr FUNG's enquiry on whether the construction progress of Road D2 was on schedule, <u>H/KTO/CEDD</u> advised in the affirmative.

Kai Tak Avenue Park and other community facilities

- 27. <u>Dr Helena WONG</u> enquired about the timetable for the construction of the Kai Tak Avenue Park at a site in the vicinity of Kai Ching Estate and Tak Long Estate. In response, <u>H/KTO/CEDD</u> advised that the Administration had completed the design of phase 1 of the Park for consultation with the Kowloon City District Council and the Task Force on Kai Tak Harbourfront Development of the Harbourfront Commission. KTO would continue to communicate with LCSD on the timetable for seeking funding approval for the project to develop the Park.
- 28. <u>Dr Fernando CHEUNG</u> opined that under the development plan of KTD, high-density developments such as public housing were located at the northern part of KTD, whereas commercial and tourism-related facilities were mainly provided at the southern part of the area. He commented that although KTD was a development project spanning a total planning area of over 320 hectares, only about 9 hectares were reserved for public housing development. He subscribed to the view that the Administration should expedite the development of community facilities including the Kai Tak Avenue Park to tie in with the housing development.

Action - 13 -

- 29. PAS/DEV(W)2 replied that the current development plan of KTD had been worked out having regard to local residents' needs and aspirations. He explained that the implementation of the proposed infrastructure works within KTD was under the purview of the Development Bureau ("DEVB"), whereas the Home Affairs Bureau and LCSD were responsible for taking forward the projects providing recreational and leisure facilities, including the Kai Tak Avenue Park. He assured members that DEVB would continue to liaise with relevant government bureaux/departments on providing the community facilities in a timely manner to tie in with the implementation programme of KTD.
- 30. <u>Dr Helena WONG</u> opined that residents of Kai Ching Estate and Tak Long Estate hoped to see the early development of the Kai Tak Avenue Park. The Administration should construct the Park and open it to the public to tie in with the completions of residential developments in KTD and the commencement of operation of the two primary schools. She commented that KTO had the responsibility to prioritize and co-ordinate the implementation of KTD-related projects and should not leave individual government bureaux/departments to decide on their own the timetable to take forward the projects. <u>Dr WONG</u> requested the Administration to provide the design plan of the Kai Tak Avenue Park, and the estimated project cost. She said that the Panel on Home Affairs should pursue the matter.

(*Post-meeting note*: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)651/15-16(01) on 8 March 2016.)

- 31. The Chairman said members had expressed concern that the projects providing community facilities in KTD had lagged behind other KTD-related projects. Relevant committees and panels should consider following up with the Administration on the progress of the projects concerned.
- 32. Mr WU Chi-wai said that in line with its "bicycle friendly" policy, the Administration should foster a "bicycle-friendly environment" in new development areas such as KTD. The Administration should develop a wider coverage of the cycle track network in KTD and should not prohibit cyclists from riding on public roads and subways connecting KTD and its neighbouring districts. PAS/DEV(W)2 replied that the proposed road network in KTD had been designed based on the traffic needs in the area. Whether or not cyclists would be allowed to use a particular road section or

Action - 14 -

subway was a transport policy matter. He would relay Mr WU's view to the Transport and Housing Bureau.

Kai Tak Fantasy

33. The Chairman enquired about the timetable to take forward the Kai Tak Fantasy ("KTF") project. In reply, H/KTO/CEDD said the Administration expected that KTF would commission in phases starting Following conclusion of an international design ideas from 2022. competition in late 2014, the Energizing Kowloon East Office ("EKEO") of DEVB was taking forward the KTF initiative under two detailed studies (i.e. the Planning and Urban Design Review for Developments at Kai Tak Runway Tip, and the Planning and Engineering Study on Kwun Tong Action Area), and some short-term measures to develop a controlled water body for water sports. She further advised that the Tourism Node was a major Eleven organizations had submitted component of the KTF project. Expression of Interest ("EOI") to develop the Tourism Node. EKEO would make reference to the ideas and suggestion received through the EOI exercise in formulating the detailed development requirements for future land tender.

Central Kowloon Route

34. <u>Miss CHAN Yuen-han</u> opined that as part of the project to construct Central Kowloon Route, the Administration had been undertaking works to construct many elevated structures across Kai Tak Nullah in the vicinity of Kai Tak Approach Channel, which were visually intrusive. She urged the Administration to resolve the issue. <u>H/KTO/CEDD</u> said that KTO had been liaising with the Highways Department on how to deal with the situation mentioned by Miss CHAN.

Facilities for electric vehicles

35. The Chairman said that the Administration would develop Kowloon East including KTD into a Smart City district. He enquired how the Administration would promote the use of electric vehicles in the area. H/KTO/CEDD replied that EKEO was responsible for carrying out a pilot study in Kowloon East to examine the feasibility of developing a Smart City. Apart from undertaking the proposals to provide smart water meter systems, real-time parking information in car parks, EKEO was liaising with the Kowloon Motor Bus Company (1933) Limited on setting up electric vehicle

Action - 15 -

charging facilities at a bus stop in the former north apron area targeted for commissioning by 2016.

Submission of the funding proposal to the Public Works Subcommittee

36. Concluding the discussion, the Chairman said that the Panel supported the Administration's submission of the proposal to the Public Works Subcommittee.

VI PWP Item No. 45CG -- District Cooling System at Kai Tak Development

(LC Paper No. CB(1)559/15-16(05) -- Administration's paper on 45CG -- District Cooling System at the Kai Tak development

LC Paper No. CB(1)559/15-16(06) -- Paper on the provision of a District Cooling System at Kai Tak Development prepared by the Legislative Council Secretariat (Updated background brief))

37. At the invitation of the Chairman, Principal Assistant Secretary for the Environment (Energy) ("PAS(EG)/ENB") briefed Panel members on the background of PWP Item No. 45CG, entitled "District Cooling System ("DCS") at KTD". With the aid of a powerpoint presentation, Chief Engineer/Energy Efficiency B, Electrical and Mechanical Services Department ("CE/EE(B)/EMSD") elaborated on the proposed works for Phase III (Package C) ("Phase IIIC") of PWP Item No. 45CG. He said that the estimated project cost of Phase IIIC was \$153.7 million in MOD prices. Subject to the funding approval of the Finance Committee ("FC"), the Administration planned to commence the project in the third quarter of 2016 for completion in the first quarter of 2020.

(*Post-meeting note*: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)600/15-16(02) by email on 24 February 2016.)

38. The Chairman reminded members that in accordance with Rule 83A of RoP of LegCo, they should disclose the nature of any direct or indirect

Action - 16 -

pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects.

Project cost overrun

- 39. Mr CHAN Chi-chuen and Mr LEUNG Kwok-hung enquired why the project cost of DCS at KTD had escalated from the original \$1,671 million in 2009 to the current estimate of \$4,945.5 million. Noting that the estimated cost of the remaining works under Phase III (other than Phases IIIA, IIIB and IIIC) was \$1,039.8 million in MOD prices, Mr CHAN asked when the Administration would submit the relevant funding proposal(s) for the remaining works to FC for approval, and whether the cost of these works would increase by then.
- 40. PAS(EG)/ENB advised that having regard to the long period of time required to complete the whole DCS project, the Administration had sought funding from FC to carry out the project in phases. The Administration considered it unlikely that the total cost of the DCS project would exceed the current estimate of \$4,945.5 million. Assistant Director/Electricity & Energy Efficiency, Electrical and Mechanical Services Department ("AD/EE/EMSD") supplemented that the increase in the DCS project cost was due to an upward trend of market prices and the cost of additional works required due to unexpected site constraints. For the parts of the DCS project totalling \$3,752 million, which had been approved by FC, they would be completed within budget and the progress of the works was satisfactory.
- 41. Regarding the timetable for seeking FC's funding approval for the remaining works under Phase III, <u>AD/EE/EMSD</u> replied that the remaining works would have to be carried out to dovetail with the development progress of KTD. <u>CE/EE(B)/EMSD</u> added that the progress of the remaining works should match the programme of road construction at KTD, and most of the remaining road construction project proposals at KTD would be submitted to FC for funding approval within the next two to three years.

Operation of the District Cooling System

42. <u>Dr Helena WONG</u> indicated support for the Administration's measures to enhance energy efficiency. She noted that the Administration intended to recover both the capital and operating costs of DCS at KTD over its project life in 30 years. She queried if it was too optimistic for the Administration to set the payback period of DCS at 30 years and requested the Administration to provide a list of the existing users and potential users of

the district cooling services, including whether the Hong Kong Children's Hospital and the Kai Tak Multi-purpose Sports Complex would be the service users.

43. PAS(EG)/ENB replied that government and public buildings at KTD At present, there were five such would use district cooling services. buildings connected to DCS, namely the Kai Tak Cruise Terminal building, the Trade and Industry Tower, the Ching Long Shopping Centre and two primary schools at KTD. The Hong Kong Children's Hospital would also be connected to the system. Heeding to the request of the LegCo Panel on Environmental Affairs made at its meeting in June 2010, the Administration would require private non-domestic projects at KTD to connect to DCS by prescribing the appropriate provisions in the conditions of land sale. The DCS tariff included the capacity charge which covered the capital cost and the operation and maintenance cost of DCS. The Chairman said that, while some of the commercial sites at KTD had yet to be put up for sale, the information to be provided by the Administration in response to Dr Helena WONG's request should include the buildings at KTD that were known to be using district cooling services in future.

(*Post-meeting note*: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)669/15-16(01) on 9 March 2016.)

- 44. Mr LEUNG Kwok-hung requested the Administration to provide: (a) the places of origin of the equipment used in DCS at KTD and the respective proportions of such equipment from different places of origin in the whole system; and (b) a list of the contractors engaged in the DCS project and their respective services.
- 45. <u>AD/EE/EMSD</u> explained that the equipment for DCS at KTD had different places of origin and was procured through competitive tendering exercises. He undertook to provide the information requested by Mr LEUNG after the meeting.

(*Post-meeting note*: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)669/15-16(01) on 9 March 2016.)

46. Mr WU Chi-wai enquired about the management structure for the operation of DCS at KTD. PAS(EG)/ENB advised that DCS at KTD was implemented under a Design-Build-Operate contract. AD/EE/EMSD

- 18 -

supplemented that the system had been providing district cooling services to users since 2013.

47. Mr WU Chi-wai requested the Administration to provide written information about the present demand for district cooling services at KTD and the proportion of the present demand to the overall capacity of DCS at KTD.

(*Post-meeting note*: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)669/15-16(01) on 9 March 2016.)

Cost effectiveness and energy efficiency of the District Cooling System

- 48. <u>Ir Dr LO Wai-kwok</u> expressed support for the proposal. He asked if the Administration had gauged enough operational data to evaluate the cost effectiveness and energy efficiency of DCS.
- 49. <u>AD/EE/EMSD</u> said that DCS at KTD was still at an initial stage of operation and there were only five users. However, the user numbers would rise to about 50 to 60 upon the full commencement of the system. At this stage, the Administration did not have enough operational data to evaluate the cost effectiveness and energy efficiency of DCS. That said, experience of overseas countries like Singapore, Japan, European countries and the United States had demonstrated that DCS was a cost-effective and energy-efficient system.

Charges for district cooling services

- 50. Mr WU Chi-wai sought information about the current charges for district cooling services at KTD and a comparison between the charges for such services and those for the services provided by other air-conditioning systems available in the market.
- 51. <u>CE/EE(B)/EMSD</u> explained that in 2015-2016, the capacity charge rate for the district cooling services at KTD was \$116.03 per kilowatt refrigeration and the consumption charge rate was \$0.1959 per kilowatt-hour refrigeration. <u>AD/EE/EMSD</u> added that the capacity charge rate would be adjusted annually based on the Composite Consumer Price Index and the consumption charge rate would be adjusted annually to take into account the change in electricity tariff rate. Regarding the charge comparison, PAS(EG)/ENB advised that the DCS tariff should be set at a competitive

Action - 19 -

level comparable to the cost of individual water-cooled air-conditioning systems using cooling towers ("WACS"). The present DCS tariff rate level was lower than that of WACS. She undertook to provide the comparison figures after the meeting.

(*Post-meeting note*: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)669/15-16(01) on 9 March 2016.)

- 52. Referring to media reports that some schools at KTD had decided not to connect to DCS due to the high service charges and the unwillingness of the Education Bureau ("EDB") to provide tariff subsidy to the schools, Mr CHAN Chi-chuen asked about the latest DCS charging arrangements for the schools concerned.
- 53. <u>PAS(EG)/ENB</u> advised that as a pilot scheme, two primary schools at KTD would use the district cooling services. The cooling demand of the two schools had been taken into account when determining the overall capacity of DCS. EDB was discussing the funding arrangements with these two schools.
- 54. <u>Mr WU Chi-wai</u> asked the Administration to provide information about how it would handle the requests, if any, from schools for subsidy in payment for DCS charges.

(*Post-meeting note*: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)669/15-16(01) on 9 March 2016.)

- 55. <u>Dr Kenneth CHAN</u> expressed support for the development of DCS. He said it was known that a secondary school to be relocated to KTD would not use district cooling services because the services were not affordable. He asked why the pilot scheme had not been extended to cover the secondary school.
- 56. <u>PAS(EG)/ENB</u> replied that based on past experience, buildings using central air-conditioning services would achieve a better energy efficiency performance if they switched to DCS. To evaluate the energy efficiency of DCS under school setting, the Administration had introduced a pilot scheme to connect DCS to two primary schools. As the primary schools had not yet commenced operation, the Administration did not have sufficient operational data at this stage to ascertain if DCS would be the most suitable

- 20 -

air-conditioning system for all schools. Therefore, the Administration considered it more appropriate to evaluate the effectiveness of the pilot scheme before considering the connection of DCS to other schools at KTD.

Other concerns

- 57. <u>Dr Helena WONG</u> asked if the introduction of DCS would cause the spread of Legionnaires' disease at KTD. In reply, <u>AD/EE/EMSD</u> said that unlike WACS, DCS produced chilled water at its central chiller plants and distributed chilled water to buildings via a closed loop network without the need to install cooling towers in each building. Hence, the problem caused by the growth of Legionella bacteria in cooling towers did not exist in DCS.
- 58. Mr WU Chi-wai noted that the proposed Phase IIIC project comprised pipe laying works in the vicinity of a number of sites at KTD. He sought details about the future uses and the development timetable of such sites. The Administration undertook to provide the information requested by Mr WU after the meeting.

(*Post-meeting note*: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)669/15-16(01) on 9 March 2016.)

59. In response to Ir Dr LO Wai-kwok's enquiry on whether the Administration had any plan to develop DCS in other new development areas ("NDAs"), <u>PAS(EG)/ENB</u> advised that the Development Bureau would collaborate with the Environment Bureau to explore the possibility of introducing DCS in other NDAs having regard to the particular circumstances in each NDA.

Submission of the proposal to the Public Works Subcommittee

60. Concluding the discussion, <u>the Chairman</u> said that Panel members supported the Administration's submission of the proposal to PWSC for consideration.

VII Creation and redeployment of directorate posts in Civil Engineering and Development Department and Planning Department

(LC Paper No. CB(1)559/15-16(07) -- Administration's paper on creation and redeployment

Action - 21 -

of directorate posts in Civil Engineering and Development Department and Planning Department)

- 61. Permanent Secretary for Development (Works) ("PS/DEV(W)") advised that the Administration paper contained two staffing proposals: one was about the establishment of the Lantau Development Office ("LDO") and the re-organization of the existing Development Offices of the Civil Engineering and Development Department ("CEDD") (the proposal in Annex I to the paper); the other was about the creation of a supernumerary Chief Town Planner ("CTP") post in the Planning Department ("PlanD") to lead an additional team under the Department's Board Division for strengthening secretariat support to the Town Planning Board ("TPB") and handling statutory planning matters (the proposal in Annex II to the paper).
- 62. With the aid of a powerpoint presentation, <u>Project Manager (Hong Kong Island and Islands)</u>, <u>CEDD</u> ("PM(HKI&I)/CEDD"), elaborated on the proposal in Annex I.

(*Post-meeting note*: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)600/15-16(03) by email on 24 February 2016.)

63. <u>Deputy Director of Planning/District</u> ("DD(District)/PlanD") briefed Panel members on the proposal in Annex II.

The proposal in Annex I - Establishment of the Lantau Development Office and the re-organization of the existing Development Offices of the Civil Engineering and Development Department

Justification for the establishment of a Lantau Development Office

64. Mr WU Chi-wai and Dr Helena WONG opined that, as the development strategy for Lantau proposed by the Lantau Development Advisory Committee ("the proposed development strategy for Lantau") had not yet undergone thorough discussion and public consultation, it was not appropriate to the Administration to decide to establish LDO at this stage. Dr WONG said that the Democratic Party objected to the proposed establishment of LDO and creation of four directorate posts for LDO, given that there was no consensus among the public on the proposed development strategy for Lantau. Mr WU was concerned that the Administration's

Action - 22 -

proposal to establish LDO meant that the Administration had decided to develop Lantau. Mr WU suggested that the staffing proposal in relation to CEDD in Annex I to the paper be dealt with separately from the proposal to set up LDO.

- 65. <u>PS/DEV(W)</u> advised that the Administration had carefully examined the need for establishing LDO. The Lantau Development Advisory Committee ("LanDAC") had formulated the proposed development strategies in different aspects, covering land use, conservation, recreation and tourism development. In view of the large scale of the developments to be planned and implemented in Lantau, there was a need to form a dedicated and multi-disciplinary office to take forward a wide range of projects for development of Lantau. The suggestion of creating new directorate posts for taking up development projects in Lantau without establishing LDO would not be practicable.
- 66. Mr LEUNG Kwok-hung said that he objected to the proposal of establishing LDO and the proposed medium- and long-term development projects in Lantau, most of which, in his view, would likely become "white elephant" projects and had only been proposed to support the development plans of the Mainland. The Administration should instead focus its efforts on the implementation of the projects which would show their effectiveness in the near future.
- 67. <u>PS/DEV(W)</u> responded that it was important for the Administration to formulate long-term plans for increasing land supply to meet housing and other development needs. The efforts made by the Government in the past 10 years in planning land supply in Hong Kong had been inadequate to meet the demand of the society.
- 68. Mr Albert CHAN said that the proposed organizational structure of LDO and the proposed re-organization of the Development Offices in CEDD were good initiatives for the implementation of planning and development. Mr CHAN said that he was opposed to the establishment of LDO, as the development strategy proposed by LanDAC, which comprised members who were not familiar with the ecological and cultural features of Lantau, would cause harm to the natural environment of Lantau. The proposed East Lantau Metropolis, which would be exposed to a noise level exceeding 80 decibels due to aircraft operation, would not be a suitable place for housing development.

Action - 23 -

- 69. <u>Miss CHAN Yuen-han</u> indicated support for the proposal to set up LDO as a coordinating office for the development of Lantau. She cited the Energizing Kowloon East Office as an example to illustrate how a dedicated office would facilitate the implementation of development projects. <u>Miss CHAN</u> said that it was important for the massive developments in Lantau to have a smooth implementation. In view of the heavy workload arising from the development initiatives for Lantau, she supported the proposed creation of supernumerary directorate posts to take forward the initiatives.
- 70. Mr CHAN Kam-lam expressed support for the proposal to establish LDO. He held the view that the setting up of a one-stop office would achieve greater effectiveness in the implementation of the planned development projects in Lantau, such as the Tung Chung New Town Extension and reclamation in Siu Ho Wan and Sunny Bay, as well as local improvement works projects in Tai O and south Lantau. It was desirable to have LDO to serve as the main contact point for the developments in Lantau. He was also supportive of the proposed creation of supernumerary posts to support LDO and the re-organization of the Development Offices of CEDD. Mr CHAN Kam-lam called on the Administration to carry out the planned development projects as early as possible upon the establishment of LDO to facilitate the development of Lantau.

Responsibilities of the proposed Lantau Development Office

- 71. Referring to the list of the projects and proposals to be taken forward by the proposed LDO as set out in paragraph 10 of Annex I to the discussion paper, such as arranging local events (e.g. music festivals and sports competitions), <u>Dr Kenneth CHAN</u> expressed concern that the scope of responsibilities of the proposed LDO might be too wide. <u>PS/DEV(W)</u> replied that the involvement of LDO in organizing local events in Lantau would be necessary for engaging the community in the planning of development of Lantau.
- 72. <u>Dr Kenneth CHAN</u> enquired about the manpower resources required for the implementation of public engagement activities related to the development of Lantau. <u>Mr YIU Si-wing</u> considered it important for the Administration to collect views from stakeholders on the development of Lantau. He asked whether conducting public consultation on development projects would be one of the responsibilities of LDO.

Action - 24 -

73. <u>PS/DEV(W)</u> replied that LDO would be responsible for conducting public consultation on the proposed development projects in Lantau. With the establishment of LDO, the manpower support for public engagement activities would be strengthened. He appealed to Panel members to support the staffing proposal for the establishment of LDO.

Lantau Development Advisory Committee

- 74. <u>Miss CHAN Yuen-han</u> said there were concerns that some LanDAC members might have interests in land development in Lantau. She urged the Administration not to appoint persons with potential conflicts of interests as members of LanDAC in future. <u>Miss CHAN</u> enquired about the demarcation of roles and responsibilities between LanDAC and LDO in formulating the development strategy for Lantau.
- 75. <u>PS/DEV(W)</u> replied that LanDAC was responsible for advising the Administration on the development direction for Lantau. LanDAC was an advisory body comprising councillors, members from the professional sectors, trade associations, academics and locals. New members from various sectors, such as tourism, recreation, innovation and technology and conservation, had just been appointed for the new term of office. He advised that a mechanism for declaration of interests was in operation in LanDAC. Members had to declare pecuniary interests, if any, when speaking on a discussion item at a meeting.

Duration of the four supernumerary posts

- 76. Mr YIU Si-wing opined that, with the planned developments in Lantau, such as the Hong Kong Boundary Crossing Facilities of the Hong Kong-Zhuhai-Macao Bridge ("HZMB"), the third runway of the Hong Kong International Airport, as well as the proposed development of the East Lantau Metropolis, it was an opportune time to establish LDO for undertaking the planning and implementation of the various development projects. Mr YIU held the view that the development of Lantau should be a long-term initiative. He asked why the duration of the four proposed supernumerary directorate posts in LDO was only about 5 years, i.e. up to 31 March 2021.
- 77. <u>PS/DEV(W)</u> replied that a wide range of preliminary studies and planning would be undertaken before the implementation plans of the development projects in Lantau could be formulated. The work of LDO would be ongoing. The Administration would review nearer the expiry of

Action - 25 -

the posts the continual need for the four supernumerary posts, taking into account the progress of the development projects and the workload of LDO at that time.

Implementation of proposed development projects in Lantau

78. <u>Dr Helena WONG</u> pointed out that a number of infrastructure projects in Hong Kong, such as HZMB, the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the West Kowloon Cultural District, had experienced cost overrun, delay and shortage of labour in recent years. She expressed doubt on whether there would be sufficient supply of construction workers to meet the manpower demand arising from the proposed development projects in Lantau and in other parts of Hong Kong.

Re-organization of the Development Offices

79. <u>Miss CHAN Yuen-han</u> enquired about the demarcation of duties and responsibilities among the four new Development Offices to be set up under the proposed re-organization (i.e. North Development Office, East Development Office, South Development Office and West Development Office). <u>PS/DEV(W)</u> replied that, in the light of the setting up of LDO to take up the development projects in Lantau, the Administration had reviewed the work allocation and boundaries among the Development Offices. The Administration considered it necessary to re-organize the Development Offices, which would be delineated by the revised geographical boundary as shown in Enclosure 15 to the discussion paper.

The proposal in Annex II - Creation of a supernumerary Chief Town Planner post in the Planning Department

80. <u>Dr Kenneth CHAN</u> said he agreed that the existing manpower of the TPB Secretariat might not be sufficient for delivering services to the public in an efficient manner. He expressed concern on whether the manpower resources of a proposed additional team under the Board Division of PlanD, led by one CTP and supported by three non-directorate staff redeployed from other existing teams, would be adequate for coping with the increasing workload of TPB. Referring to the increasing number of judicial reviews on TPB's decisions, <u>Dr CHAN</u> enquired whether the Administration had any plan to review the Town Planning Ordinance.

Action - 26 -

81. <u>DD(District)/PlanD</u> replied that, to make better use of manpower resources, the Administration would make redeployment arrangements as and when necessary and prioritize its work having regard to the resources available.

Submission of the two staffing proposals to the Establishment Subcommittee

82. <u>The Chairman</u> enquired whether members supported that the two staffing proposals be submitted to the Establishment Subcommittee ("ESC") for consideration. <u>Mr LEUNG Kwok-hung</u> requested that the two proposals be voted on separately. <u>The Administration</u> had no objection to Mr LEUNG's suggestion.

The proposal in Annex I - Establishment of the Lantau Development Office and the re-organization of the existing Development Offices of the Civil Engineering and Development Department

83. <u>The Chairman</u> enquired whether members supported that the proposal in Annex I be submitted to ESC for consideration. At members' request, <u>the Chairman</u> ordered a division. The division bell was rung for five minutes. Seven members voted for and 8 members voted against the question. The votes of individual members were as follows --

For:

Mr CHAN Kam-lam Mr CHAN Kin-por
Mr IP Kwok-him Mrs Regina IP
Mr YIU Si-wing Miss CHAN Yuen-han
Mr LEUNG Che-cheung

Against:

(7 members)

Mr James TO
Mr LEUNG Kwok-hung
Mr Albert CHAN
Mr WU Chi-wai
Dr Kenneth CHAN
Dr KWOK Ka-ki
Dr Fernando CHEUNG
(8 members)

Abstain: (0 member)

Action - 27 -

84. <u>The Chairman</u> concluded that the Panel did not support the submission of the proposal in Annex I to ESC for consideration.

The proposal in Annex II - Creation of a supernumerary Chief Town Planner post in the Planning Department

85. <u>The Chairman</u> enquired whether members supported that the proposal in Annex II be submitted to ESC for consideration. No member indicated any objection. <u>The Chairman</u> said that the Panel agreed that the proposal in Annex II be submitted to ESC for consideration.

VIII Proposed Development Strategy for Lantau

(LC Paper No. CB(1)559/15-16(08) -- Administration's paper on proposed Development Strategy for Lantau)

Relevant papers

- (LC Paper No. CB(1)583/15-16(01) -- Submission from a deputation (坪洲填海關注 組) dated 18 February 2016 -- Submission from Save LC Paper No. CB(1)583/15-16(02) Alliance dated Lantau 19 February 2016 -- Submission LC Paper No. CB(1)583/15-16(03) from Save Alliance dated Lantau 21 February 2016)
- 86. <u>Members</u> noted the above submissions from concerned organizations.
- 87. At the invitation of the Chairman, <u>Secretary for Development</u> ("SDEV") briefed Panel members on the background of the proposed development strategy for Lantau. With the aid of a powerpoint presentation, <u>Assistant Director of Planning/Territorial</u> and <u>Principal Assistant Secretary</u> (Works)5, <u>Development Bureau</u>, highlighted the planning vision and the salient points of the five groups of major proposals for Lantau development that had been put forward for consultation in the public engagement exercise.

(*Post-meeting note*: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)600/15-16(04) by email on 24 February 2016.)

88. <u>The Chairman</u> said that, at the request of members, a special meeting would be arranged to receive public views on the proposed development strategy for Lantau. Members would be notified of the meeting arrangements in due course.

(*Post-meeting note:* Members were informed on 10 March 2016 vide LC Paper No. CB(1)673/15-16 that a special meeting to receive public views on the proposed development strategy for Lantau would be held at 9 am, 16 April 2016.)

[At 6:13 pm, the Chairman suggested that the meeting be extended for 15 minutes to 6:45 pm. Members raised no objection.]

Positioning for the proposed development of Lantau

89. Mr Albert CHAN said that there was a clear delineation of roles among the cities in the Pearl River Delta region. For instance, Zhuhai had been planned as an education and recreation hub, while Dongguan had been planned as a technology hub. He considered that the positioning for the development of Lantau was not clear. Moreover, he was not convinced of the need to develop the East Lantau Metropolis, given that the Administration had not yet formulated a population policy for Hong Kong beyond 2030. In response, SDEV said that the Administration held an open attitude to different views on the proposed development of the East Lantau Metropolis, which would be a long-term land development initiative beyond 2030.

Lantau Development Advisory Committee

- 90. <u>Dr KWOK Ka-ki</u> held the view that the proposed development for Lantau would cause destruction to the natural environment of Lantau, and some of the members of LanDAC, who were land owners or developers, had personal interest in land development in Lantau. He was dissatisfied that no member from conservation groups had been appointed to LanDAC.
- 91. <u>SDEV</u> advised that the operation of LanDAC was highly transparent. The discussion papers and minutes of meetings of LanDAC were open for public inspection. LanDAC members had to declare interest, if any, on a discussion item before they spoke on the item at a meeting. Records of declaration of interest by LanDAC members were also open to the public.

Public consultation on the proposed development strategy for Lantau

Action - 29 -

- 92. <u>Miss CHAN Yuen-han</u> opined that the Administration should conduct thorough public consultation on each development proposal for Lantau. Noting that a public engagement exercise would be conducted for the proposed development strategy for Lantau between January and April 2016, <u>Miss CHAN</u> considered the duration of the consultation period too short. She cautioned that the Administration should handle public concerns on the development proposals in a prudent manner and to avoid arousing controversies. She added she had reservation on the proposed development of artificial islands in the central waters.
- 93. <u>SDEV</u> advised that the development proposals suggested by LanDAC would be implemented in the short, medium or long term as appropriate. For the proposal of developing artificial islands in the central waters, further studies would need to be conducted. The studies would undergo extensive public engagement, similar to that for the development of the Tung Chung New Town Extension. The Administration would seek LegCo Members' views on individual development proposals when more information about the technical feasibility of individual projects was available.

Impact of the proposed development of Lantau

Local residents

94. Mr Steven HO said he was concerned about the adverse impact of the proposed reclamation projects associated with the development of Lantau on the fisheries industry and the local residents. The Deputy Chairman opined that, in formulating the development strategy for Lantau, the Administration should take into consideration the concerns of the local residents. SDEV advised that having considered the views collected during the public engagement exercises for the Tung Chung New Town Extension, the proposed development in Tung Chung West ("TCW") was only of a small scale. TCW would be mainly for conservation use with low-density development, while the development in Tung Chung East would have minimal impact on local residents.

Fisheries industry

95. Mr Steven HO opined that the Administration should take into account the needs of the fisheries industry in the planning of Lantau, given that many local residents of Lantau were fishermen. He suggested that, in

Action - 30 -

developing Lantau, the Administration should provide more ancillary facilities, such as berthing spaces, for the fisheries sector.

96. <u>SDEV</u> advised that the proposed reclamation sites for short- to medium-term development of Lantau would be in Tung Chung East, Siu Ho Wan and Sunny Bay, while the proposed reclamation in the waters off the eastern coast of Lantau for the development of the East Lantau Metropolis would be a long-term development initiative. The Administration noted the concerns of the fisheries industry about the reclamation. While the impact on the fisheries operators would be minimized, compensation arrangements would be provided to the fisheries operators affected by reclamation projects. The Administration would maintain close communication with the fisheries industry.

<u>Implementation of reclamation works in Lantau</u>

- 97. <u>Dr Helena WONG</u> said that the cost of marine sand to be sourced in the Pearl River Delta region for reclamation works had surged up and the demand for marine sand had increased in the light of the concurrent implementation of a number of reclamation projects in the region. She queried how the Administration would be able to secure a sufficient supply of marine sand for carrying out the proposed reclamation works in Lantau as well as the reclamation works under other projects, such as the construction of the third runway of the Hong Kong International Airport ("HKIA"), the Hong Kong Boundary Crossing Facilities of the Hong Kong-Zhuhai-Macao Bridge ("HZMB") and the East Lantau Metropolis.
- 98. <u>SDEV</u> replied that the proposed developments in Lantau would be implemented by phases. The development of the East Lantau Metropolis was proposed to be undertaken after 2030. The planned development of the third runway of HKIA, HZMB and Tung Chung New Town Extension had been scheduled for completion in the 2020s. As these projects were not to be implemented at the same time, the supply of marine sand for reclamation would not be an issue.

Road improvement works and traffic relaxation measures in South Lantau

99. <u>Dr KWOK Ka-ki</u> opined that the natural environment of Lantau should be protected from land development. He was concerned that the Administration's implementation of traffic relaxation measures to allow

Action - 31 -

more tour coaches and private cars to access the closed roads in South Lantau and the widening of South Lantau Road would bring in a large number of vehicles and visitors, thus causing damage to the local environment.

- 100. <u>SDEV</u> advised that the proposed development strategy for Lantau would strengthen the conservation of South Lantau. At the request of the local residents, the bend improvement works of roads in South Lantau would be taken forward to improve road safety. The relaxation of traffic restriction on the closed roads in South Lantau would not be in a large scale. Under the "Driving on Lantau Island" scheme, the Transport Department would only allow a quota of 25 private cars per day to drive on closed roads in South Lantau on weekdays. The number of tour coaches permitted to enter South Lantau would also be increased for the convenience of visitors.
- 101. The Deputy Chairman considered that the proposed road improvement works, including road widening, in South Lantau was necessary for the safety of the local residents. He supported the implementation of the proposed transport infrastructure network to be taken forward under the proposed development strategy for Lantau. The Deputy Chairman cast doubt on whether a daily quota of 25 private cars for entering South Lantau could have an effect of boosting the local economy and questioned how the Administration had come up with the number.
- 102. <u>SDEV</u> advised that the "Driving on Lantau Island" scheme aimed to facilitate visitors to go to Lantau for leisure purposes. To minimize the impact of the scheme on the rural environment in South Lantau, the number of private cars permitted to access the closed roads per day would not be significant.

Improvement of public transport services in Lantau

traffic 103. Expressing concern on the congestion in the Deputy Chairman enquired whether the Administration would step up efforts in improving the public transport services in Lantau. SDEV advised that the Administration was studying the feasibility of developing a cable car system connecting Ngong Ping with Tai O. Given the small population of Tai O, the proposed construction of a road along the north-western coast of Lantau to connect Tung Chung with Tai O was considered not cost-effective. To address the needs of the local residents and members of the public for travelling to and from Tai O, the Administration would further evaluate ferry services on public holidays and would introduce measures to improve other public transport services in Tai O.

Action - 32 -

Proposed development of recreation and tourism facilities

- 104. <u>Dr KWOK Ka-ki</u> considered that the Administration's proposals to develop recreation and tourism facilities, such as spas, resorts, hotels, cable cars and funicular railways, in South Lantau would adversely affect the natural environment of the area.
- 105. <u>Dr Helena WONG</u> considered that the scale of the proposed development of Lantau was too large and the pace of development was too fast. She opined that the proposals to provide venues for outdoor activities in South Lantau were put forward mainly for profit-making purposes but not conservation of the natural environment. Pointing out that Chinese White Dolphins were rarely found in Hong Kong waters in recent years, she was concerned that the reclamation works of the planned development projects in North Lantau and the proposed developments for other areas of Lantau would worsen the situation.
- 106. In response, <u>SDEV</u> said that recreation facilities were proposed to be developed in Pui O and Shui Hau because these places were already popular spots for outdoor recreation activities. The Administration mainly aimed to provide appropriate supporting facilities there for enhancing public enjoyment and safety.

Development of land in country parks

107. Mr YIU Si-wing said that he was a member of LanDAC and he supported LanDAC's proposal to develop Lantau into a community for living, work, business, leisure and study. Noting that the existing country parks in Lantau occupied over 70% of the land on the island, he asked whether the Administration had any plan to release some sites in the country parks for development. SDEV replied that the current term of the Government would not consider developing the land in country parks.

Noise and air pollution in Tung Chung

108. Mr Albert CHAN opined that the sites in Tung Chung East were not suitable for large-scale residential development although, according to the Administration, the predicted Noise Exposure Forecast ("NEF") 25 contour of the third runway of HKIA would be distant from Tung Chung East. He expressed concern about the impact of aircraft noise on the health of

Action - 33 -

residents of Tung Chung when the noise level exceeded 80 decibels. Mr CHAN added that air pollution was a serious problem in Tung Chung.

109. <u>SDEV</u> advised that the level of aircraft noise exposure outside the NEF 25 contour was generally considered acceptable for residential developments. The Administration would study the mitigation measures to minimize the nuisances caused by aircraft operations to residents of Tung Chung.

<u>Identification of other areas with development potentials</u>

- 110. Mr YIU Si-wing considered that the comprehensive development of Lantau would bring benefits to people of Hong Kong in the long run. He said that, with the development of Sentosa into a tourist attraction, Singapore had surpassed Hong Kong in terms of economic growth in recent years. He enquired whether the Administration had identified other areas with development potentials in Hong Kong.
- 111. <u>SDEV</u> advised that the Administration was studying the feasibility of developing a new town in New Territories North of a scale similar to that of the Fanling/Sheung Shui New Town. The Administration would seek members' views on the matter at a later stage.

IX Any other business

112. There being no other business, the meeting ended at 6:45 pm.

Council Business Division 1 <u>Legislative Council Secretariat</u> 18 May 2016