

Public Works Subcommittee Meeting on 31 May 2017

PWP Item No. 786CL – Tung Chung New Town Extension

Reclamation and Advance Works

At the request of the Chairman of the Public Works Subcommittee (PWSC), the Government provides supplementary information in respect of the request made by Hon CHU Hoi-dick (shown in *italics* below) vide his letter of 20 May 2017. After consulting relevant policy bureaux and departments, the Government's consolidated reply is set out below.

Documents of Feasibility Studies

Would the Government please provide the Committee with the original copies of all of the feasibility studies related to this project, which should at least include the “Planning and Engineering Study on the Remaining Development in Tung Chung – Feasibility Study” jointly conducted by the Planning Department (PlanD) and the Civil Engineering and Development Department (CEDD) and in January 2012.

2. The consultancy study contract (No. CE 32/2011(CE)), namely the “Planning and Engineering Study on the Remaining Development in Tung Chung – Feasibility Study”, was undertaken by consultants jointly commissioned by the CEDD and PlanD in January 2012. The executive summary and environmental impact assessment report, etc. of the feasibility study have been uploaded to the Tung Chung New Town Extension's (TCNTE's) website (<http://www.tung-chung.hk/>) for public inspection. The relevant hyperlinks of the text, drawings and figures of the executive summary, as well as the environmental impact assessment report, are provided herewith for reference:

Text:

http://www.tung-chung.hk/files/docs/executive_summary_e.pdf

Drawings:

http://www.tung-chung.hk/files/docs/executive_summary_drawings_e.pdf

Figures:

http://www.tung-chung.hk/files/docs/executive_summary_figures_e.pdf

Environmental Impact Assessment Report:

http://www.epd.gov.hk/eia/register/report/eiareport/eia_2332015/c_cover.html

Detailed Design and Investigation

The Finance Committee (FC) approved the funding of 700 million for the detailed design and investigation of the TCNTE on 27 May 2016. Would the Government please inform the Committee the current progress and latest implementation schedule of such work, as well as details of the completed work, if any.

3. While the detailed design and investigation of the TCNTE is on-going, some finalised investigation reports (English version only) are available for public inspection at the CEDD's Civil Engineering Library, including:

Contract No.	Works Order No.	Title of Report
GE/2012/03	GE/2012/03.38A	Marine Ground Investigation and Geophysical Surveys (Final Field Work Report)
GE/2013/37	GE/2013/37.38A	Marine Geophysical Survey Final Report
GE/2013/37	GE/2013/37.38B	Final Field Work Report
GE/2013/37	GE/2013/37.38C	Final Field Work Report

Public and Private Ratio of Housing

According to Appendix 4 to LC paper No. PWSC(2015-16)55 dated February 2016, 40 800 new residential units will be made available in Tung Chung East (TCE), 25 700 of which will be subsidised housing units, and 15 100 will be private housing units, accommodating the planned population intake of 118 900. The ratio of subsidised to private housing is 63% to 37% in the context of the number of units.

The TCE project would incur very high development costs, not only does it incur finance costs, but also devastate the last habitat for dolphins. In view of such a heavy price to be paid for the land, not to mention the public money spent on reclamations, planning, land formations and provision of infrastructure, it is highly controversial for the Government to allocate 37% of the land involved for private property developments which will be beyond the reach for most people upon completion.

- (1) Would the Government inform the Committee the areas for private, Home Ownership Scheme (HOS) and public rental housing under the current planning of the TCE development?*
- (2) Would the Government inform the Committee the exact ratio of public to HOS housing in the context of 25 700 subsidised housing units?*
- (3) At the Panel on Development meeting on 25 April 2017, Hon Abraham SHEK proposed, on several occasions, that the Government should increase the ratio of public rental housing to reduce the grievances in the society. The officials attending the meeting commented that “there is still room for refinement” and consideration would be given to his proposal. Would the Government inform the Committee results of consideration?*
- (4) The sale price of HOS flats should be fixed at 70% of the market price, which is most likely over \$10,000 per square feet if projected from the prevailing market price for housing in Tung Chung.*

The overall housing price is still exorbitantly high, even for HOS flats. Would the Government consider amending the planning proposals for provision of 100% public housing (i.e. subsidised housing), 60%-70% of which will be public rental housing, and 30%-40% will be HOS or other types of social housing? This would not only boost the supply of public housing, but also address the middle class aspiration for home ownerships. In addition, the pressure on the Government to develop the rural areas in the New Territories in a blatant manner and take forward the “East Lantau Metropolis” proposal can be relieved, thereby reducing the associated social costs.

- (5) Would the Government commit to conducting a territory-wide early public consultation on the respective ratios of public, HOS and private housing, as*

well as exploring the feasibility of introducing new types of housing, such as social or co-operative society housing?

4. In view of the diversified housing demand in Hong Kong, the Government has to adopt a balanced approach in the supply of housing land. The Government determines the overall land use allocation for public and private housing based on the prevailing housing policy and the public/private housing mix of 60:40 as set out in the Long Term Housing Strategy (LTHS). However, due consideration will also be given to specific area and site condition.

5. The TCNTE project is one of the major initiatives to meet the housing and economic development needs in the medium to long-term under the Government's multi-pronged approach to increase land supply. The current public/private housing mix for the development of TCE is 63:37 (25 700 units: 15 100 units), which is higher than the ratio set under the LTHS and can address the strong demand for increasing public housing supply. In terms of occupied areas, the public/private housing mix will be 48:52. The exact type of public housing (either subsidised housing for sale or public rental housing) to be built will be determined during the detailed design stage of the project.

6. Three stages of public engagement were conducted for the TCNTE Study between 2012 and 2014, and the public generally supported a balance between public and private housing supply. On the other hand, the relevant statutory outline zoning plans (OZPs) were gazetted under the Town Planning Ordinance for the public to make representations and comments in early 2016. The Town Planning Board (TPB) subsequently held a hearing about the OZPs. Upon consideration of the representations and comments received, the TPB decided not to propose any amendment to the OZPs. The Chief Executive in Council approved the OZPs in early 2017.

7. Due consideration has been given to the public comments received in the course of the planning study and statutory planning process, which were fully reflected in the current planning and land uses in the TCNTE area. The Government currently has no plan to consult the public again on the public/private housing mix in TCE. Having said that, as there is still a long lead time from now to completion of the TCNTE project, should there be significant changes in planning circumstances such as adjustments in housing

policy or the housing supply target, the Government will further review the planned land uses and public/private housing mix in the light of the actual needs.

Overview of Overall Costs and Funding Arrangements

(1) Would the Government inform the Committee any other approved funding proposals or funding proposals not yet approved in respect of the TCE project, excluding the approved funding proposal of 700 million in May 2016 and the current funding proposal of 20,560 million?

Would the Government inform the Committee the funding proposals to be submitted, their estimated costs and funding duration in respect of the TCE project (including the block allocations under the Capital Works Reserve Fund (CWRP))?

<i>Approved funding proposal in respect of TCE</i>	<i>Cost</i>	<i>Approval date</i>

<i>Funding proposal to be submitted in respect of TCE</i>	<i>Estimated cost</i>	<i>Anticipated funding duration</i>

(2) Further to the above question, would the Government inform the Committee the details of the approved funding proposals in respect of the Tung Chung West (TCW) project, their latest progress, funding proposals to be submitted, estimated costs and anticipated funding duration in respect of such a project (including the block allocations under the CWRP)?

<i>Approved funding proposal in respect of TCW</i>	<i>Cost</i>	<i>Approval date</i>

<i>Funding proposal to be submitted in respect of TCW</i>	<i>Estimated cost</i>	<i>Anticipated funding duration</i>

8. The approved funding proposals of the TCNTE project include “712CL - Planning and Engineering Study on the Remaining Development in Tung Chung” and “786CL - Tung Chung New Town Extension – Detailed Design and Site Investigation”, covering both TCE and TCW. The details of approved funding proposals of the TCNTE project are tabulated as follows:

Approved funding proposal of TCNTE	Approved project estimate	Approval date
712CL - Planning and Engineering Study on the Remaining Development in Tung Chung	\$44 million (in MOD price)	Approved by the LegCo FC on 8 July 2011
786CL - Tung Chung New Town Extension - Detailed Design and Site Investigation	\$729.5 million (in MOD price)	Approved by the LegCo FC on 27 May 2016

9. The details of funding proposal of the TCNTE project under deliberation are tabulated as follows:

Funding proposal of TCNTE under deliberation	Project estimate under deliberation	Approval date
786CL - Tung Chung New Town Extension - Reclamation and Advance Works	\$20,568.9 million (in MOD price)	Subject to approval by the LegCo

10. We will seek funding approval in stages having regard to the implementation schedule of the TCNTE. The scope of the remaining funding proposals mainly covers the land formation works in TCW, remaining supporting infrastructure works in TCE and TCW, as well as supervision costs

of the construction works. Given that the detailed design work is still on-going, the project estimates are not available at this stage.

Planning of Community Facilities

- (1) At present, public markets are not included in the “Government, Institution and Community” (“G/IC”) sites in TCE. Would the Government give a clear account of whether there is any market planning in the pipeline, and whether future residents will resort to the wet markets operated by supermarkets?*
- (2) Would the Government give a clear account of the existing market facilities, as well as future market planning, for the whole of Tung Chung, including their locations, scales, implementation schedules and management modes?*
- (3) Would the Government give an account of the factors under consideration and arrangements in planning the provision of social welfare and education facilities in TCE?*
- (4) Would the Government give an account of any possible means or platforms by which members of the public may engage in the discussion of planning issues from now until completion of the TCE project?*

11. According to the Tung Chung Extension Area OZP, “market” uses are always permitted in both the “G/IC” and “Residential (Group A)” sites. For the Tung Chung New Town, there are at present market facilities and other fresh provision retail shops such as the public wet markets in Yat Tung Estate and Fu Tung Estate. Two additional public wet markets are to be provided within public housing developments in Areas 56 and 39 of Tung Chung, which are under construction for completion by 2017 and 2018 tentatively.

12. Moreover, the Government has preliminarily identified a suitable site in the east of Tung Chung New Town East Extension Area for the construction of a sizable public market. Located in the vicinity of a public transport interchange, the proposed site is also close to the proposed TCE MTR Station, thus enhancing its connectivity with the existing Tung Chung MTR Station and the proposed TCW MTR Station. The proposed market site will therefore be more

accessible to the public and can cater for not only the needs of the residents in the new development area, but also the needs of the population in the Tung Chung area. The relevant policy bureaux and departments will work closely together to take forward the project during the detailed design and implementation stages of the TCNTE Area.

13. On the other hand, in conducting the studies on the TCNTE project, the PlanD has given due consideration to the needs of the community and future population according to the Hong Kong Planning Standards and Guidelines and the requests of relevant government departments, and has reserved sufficient land for development of G/IC facilities (including social welfare and education facilities). In addition, the PlanD has carefully examined the distribution and locations of such facilities to ensure convenient access by the community.

14. Under the Recommended Outline Development Plan (RODP), the planning of TCE will include provision of social welfare facilities, including one integrated family services centre, one social security office, one sub-office of the Family and Child Protective Services Unit, three integrated children and youth services centres, two elderly homes (each with 150 places), day care service units for one elderly home, one neighbourhood elderly centre, two nursery centres (for children under three years old, each with 100 places), one district support centre for persons with disabilities and one integrated community centre for mental wellness. As regards education facilities, 10 nurseries and kindergartens, six primary schools, two secondary schools and one tertiary education institute will be established in TCE, whereas about 1.5 hectares of land have also been reserved for other school purposes.

15. Moreover, the Government is aware of the public concern over the need to provide more social welfare facilities in Tung Chung. Taking into account the several sites within the TCNTE Area reserved for development of various GIC facilities, at which social welfare facilities are always permitted, the PlanD is in discussion with the Social Welfare Department regarding the provision of additional social welfare facilities in the Area, such as those providing residential and day care services for the elderly or persons with disabilities. Such proposals will be specified during the stages of implementation and detailed design of the TCNTE Area.

16. Regarding public engagement, as mentioned above, three stages of public engagement had been conducted for the TCNTE Study between 2012 and 2014. Public comments were received through various means including forums, workshops, roving exhibitions, focus group meetings and briefing sessions. All comments received were compiled and analysed, which formed the basis for the formulation of the RODP. On another front, the Tung Chung Extension Area OZP covering the TCE area was gazetted by the TPB for public representations and comments in early 2016. The TPB held a hearing meeting on 28 September 2016 to consider the representations and comments received. Upon consideration, the TPB decided on 18 November 2016 not to propose any amendment to the OZP. The Chief Executive in Council approved the OZP on 7 February 2017

17. Due consideration has been given to the public comments received in the course of the planning study and statutory planning process, which were fully reflected in the current planning and land uses in the TCNTE Area. The Government currently has no plan to make planning and land-use amendments. Having said that, as there is still a long lead time from now to completion of the TCNTE project, should there be significant changes in the planning circumstances, the Government will further review the planned land uses in the light of the actual needs.

Railway and Public Spaces at MTR Stations

- (1) Would the Government inform the Committee the latest implementation schedule, construction cost and operation mode of the Tung Chung Spur Line?*
- (2) Would the Government PLEASE inform the Committee the land and floor areas to be granted to the MTR Corporation Limited (MTRCL) as subsidies for taking forward the Tung Chung Spur Line project?*
- (3) I strongly hope that the Town Centre Area at TCE MTR Station will be developed as an open space for public enjoyment. Would the Government inform the Committee the current factors under consideration in planning the area near the MTR Station?*

18. As regards the railway development in Tung Chung, the Tung Chung Line is planned under the Railway Development Strategy 2014 to extend westward for addition of the TCW Station, with the indicative implementation window between 2020 and 2024 for planning reference. It was proposed in the Planning and Engineering Study on the TCNTE that the TCE Station should be commissioned by 2026 to dovetail with the population intake. In this regard, the Transport and Housing Bureau invited the MTRCL to submit proposals of the TCW Extension and TCE Station in early January 2017 for its subsequent assessment. Given that the MTRCL is still preparing the proposals, no information is available at this stage.

19. In respect of the provision of public open space, located north of the TCE Railway Station, Area 113 will be developed into a “Metro Core Area”, the key centre for the whole of the TCE area, for the purposes of integrated development with housing, office, a public transport interchange, open space, GIC facilities, as well as commercial and retail facilities. In the planning of the Tung Chung New Town East Extension Area, the Central Green, as a public open space planned in a north-south direction (about 4.8 hectares), will serve as a major focus and activity node/event venue in the heart of the Area. The site in Area 113 will provide pedestrian facilities, ensuring convenient public access from the proposed TCE Railway Station to the Central Green (Area 113 and TCE Railway Station separated at ground level by Trunk Road P1 and railway tracks). Under the current planning, the Central Green will be developed and managed by the Government as a public open space, whereas Area 113 zoned “Other Specified Uses” annotated “Commercial and Residential Development cum Public Transport Interchange” on the OZP will be for private development. The land lease stipulates that future development of the site in Area 113 shall be governed by Master Layout Plan submission by the project proponent to the satisfaction of the Director of Lands to ensure proper design of the development and the provision, connection and space of the above mentioned public facilities before the development commences.

New Cycling Track

Would the Government provide supplementary information on the project profiles and progress of the new cycling track and cycling park?

20. The cycling track under the TCNTE project is currently in the design stage. Under the planning, a cycling track network of about 12 km will be provided alongside the waterfront promenade and walking track within the TCNTE area, with further extension along the waterfront promenade of TCE and Road P1 to the cycling park near Tai Ho Interchange.

Development Bureau

Planning Department

Civil Engineering and Development Department

May 2017