

香港特別行政區政府

The Government of the Hong Kong Special Administrative Region

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Ms Sharon CHUNG  
Council Business Division 1  
Legislative Council Secretariat  
Legislative Council Complex  
1 Legislative Council Road  
Central, Hong Kong

13 July 2017

Dear Ms CHUNG,

**Legislative Council Panel on Development  
Follow-up Actions for the Meeting on 26 June 2017**

**Proposed Amendments to the Buildings Ordinance (Cap. 123)  
for Strengthening Enforcement Action against  
Illegal Domestic Use in Industrial Buildings**

In consultation with the Transport and Housing Bureau (THB) and the Buildings Department (BD), I write to provide the following information requested by Members of the Panel at the meeting on 26 June 2017.

**Conversion of Industrial Buildings (IB) into “Transitional Accommodation”**

The Government reported to the Subcommittee on the Long Term Housing Strategy of the Legislative Council (LegCo) Panel on Housing in July 2013 our assessment on the various constraints for the wholesale conversion of IB for “transitional accommodation” use.

Under the existing development control regime, any conversion of industrial buildings must comply with the conditions in the relevant land leases, the Town Planning Ordinance (Cap. 131) and statutory plans, as well as the Buildings Ordinance (BO) and its subsidiary legislation.

Under the BO, there are specific building standards and requirements for domestic buildings, including the provision of natural lighting, ventilation and fire safety, which aim at protecting the safety and health of the occupants. In most cases, the conversion works of IBs for “transitional accommodation” use, even if feasible, would involve substantial alterations or even demolition of parts of the building in order to satisfy the building standards and requirements for domestic uses. From the perspective of building safety and fire safety, the Government could hardly relax those standards and requirements to facilitate conversions.

From the town planning perspective, for IBs situated within an active industrial zone, the street environment and the exposure to noise may render those IBs unsuitable and unsafe for residential use. For instance, heavy goods vehicles operating in the industrial zone would lead to traffic safety problem, and the noise generated by machines in the IBs and the emissions from chimneys of these IBs may create safety and health problems.

While statutory procedures may be triggered to change the land use zoning of an industrial zone into a non-industrial zone to incentivize the redevelopment of IBs, such rezoning exercises need to take into account a number of considerations such as environmental impact, traffic conditions, noise impact and demand for industrial land. Detailed studies are required. Since 2000, the Planning Department has conducted four Area Assessments of Industrial Land in the Territory to examine the usage of industrial land with a view to identifying land that could be rezoned to uses in higher demand in the community, including residential use. We would continue our work on this front. Once an industrial area is so rezoned, the initiative of redevelopment would fall onto the owners of the IBs.

### **Introduction of Partial Rent Control Regime to Stabilise the Rentals of Residential Units**

Tenancy control is a highly controversial subject and consensus has not yet been reached in the community about this issue. THB has previously conducted a detailed study on Hong Kong’s past experience as well as overseas experience in implementing tenancy control, and briefed the Panel on Housing

of the LegCo as well as listened to public views in July 2014<sup>1</sup>. After extensive public consultation, the Government has elaborated its views on this subject in the Long Term Housing Strategy (paragraphs 6.15-6.18) subsequently. Empirical findings, both local and overseas, suggest that tenancy control measures often lead to an array of unintended consequences, including those detrimental to the tenants whom the measures seek to assist.

There have been suggestions that the Government should introduce a partial rent control regime. However, as explained in the discussion paper submitted by THB to the LegCo Panel on Housing in July 2014<sup>1</sup>, based on the experience of some overseas economies, if tenancy control is imposed only on a particular market sector (often the lower-end residential property market sector), there may be inadvertent spillover effects on the uncontrolled sector. For example, as some tenants may not be able to rent flats in the controlled sector, they are forced to seek accommodation in the uncontrolled sector, hence pushing up the rent level of the latter. On the other hand, some overseas experience suggests that tenancy control has failed to address the housing needs of the grassroots since such control measures are often targeted at specific classes of premises instead of particular groups of households.

After weighing the pros and cons, the Government considers that introducing tenancy control in haste amid the current tight housing supply may be counterproductive, making the tenants suffer before they can actually benefit from it. This is not in the interest of the grassroots households and the general public. A continued increase in housing supply should be the fundamental solution to the problem of surging rent caused by insufficient supply.

### **Measures Taken by the BD in Processing Building Plans of IBs for Deterring the Misuse of IBs for Illegal Domestic Use**

In accordance with the provisions of the BO and its subsidiary regulations, the BD processes applications for approval of plans by checking whether the planning, design and construction of the buildings and building works shown in the plans comply with the statutory requirements. If the plans comply with the provisions of the BO and its subsidiary regulations, the BD is required to give approval of the plans under the BO. On the other hand, the BD will refuse to give approval of the plans under the BO if such plans do not comply with the BO and its subsidiary regulations.

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<sup>1</sup> The relevant paper is LC Paper No. CB(1)1709/13-14(01) entitled 'Tenancy Control'.

In October 2016, the BD promulgated new measures vide practice notes to building professionals registered under the BO with a view to deterring the misuse of IBs for residential use. According to the said practice notes, building plans for IBs should comply with the following requirements -

- (a) servicing arrangement for workshop units should be clearly shown, particularly the provision of loading/unloading areas and cargo lifts and their segregation from the communal circulation routes of occupiers and visitors;
- (b) natural lighting and ventilation should be provided to internal toilets within individual workshop units;
- (c) internal pipe ducts for toilets within individual workshop units should be accountable for gross floor area (GFA);
- (d) curtain walls for an IB with small workshop units should be accountable for GFA and site coverage;
- (e) proposed excessive storey height in small workshop units should be fully justified; and
- (f) justification for designs and facilities that are not commonly found in an IB or commensurate with industrial use should be provided.

Should you have any enquiries, please feel free to contact the undersigned officer at 3509 8852.

Yours sincerely,



(Mr David NG)  
for Secretary for Development

c.c.

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