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Dear Sirs,

I am an expert in infrastructure finance and a long - term resident of HK. For more details, please see www.logiegroupltd.com.

I question why this development is needed. Consider:

There is clearly a short-term housing crisis in HK but, if people move into this development only in 2032, that shortage will not be addressed by this development.

But is there a housing crisis in the longer term? The perceived need is based on the Census & Statistics Dept's projection that HK's population will increase from the existing 7.4 million (2016) to 8.2 million in 2043 (after which it declines back to 7.5 million by 2066) - but what is the basis for this projection? When the current birth rate in HK is 1.2, HK's current population will fall to, say, 6.2 million by 2043 so CSD is projecting inbound migration of 2.0 million i.e. 203 per day (presumably mostly from the Mainland) – but historical inbound migration has averaged only 120 per day over the past few years.

Further, how do these projections align with the ambitions of the Greater Bay Area initiative which is welcome in that it aims to ease transit across the border with Shenzhen and which may encourage residents of HK to relocate out of HK? Migration numbers could fall from historical levels or even reverse.

If it were to go ahead, the cost of this development would be significant. Yes, the Government can afford it but that does not mean that it should afford it. It would be far cheaper to work with private developers' land banks in the New Territories, resume underutilized semi-industrial land (which, yes, may involve compulsory purchase with reasonable compensation), ease planning restrictions and reform the Small House Policy. Vested interests can be expected to resist but the Government will be able to prevail.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Andrew Kinloch', with a long horizontal flourish extending to the right.

Andrew Kinloch
Logie Group Limited
www.logiegrou.com