

Panel on Development

Motion on

**"Funding Applications for Hung Shui Kiu/Ha Tsuen
New Development Area — (a) Works for First Phase Development;
(b) Special Ex-gratia Cash Allowance for First Phase Development;
(c) Detailed Design for Works for Second Phase Development
and Related Studies"
passed at the meeting held on 16 December 2019**

The Legislative Council Panel on Development passed the motion moved by Hon CHU Hoi-dick at the meeting on 16 December 2019:

"This Panel requests the Government to, in taking forward the Hung Shui Kiu development, ensure re-provisioning of legal brownfield operators in multi-storey buildings (MBSs) and legal sites within and outside of the same districts, so as to prevent forcing displaced brownfield operators into illegal operation at agricultural sites, leading to imbalance between development and conservation."

The Administration's response to the motion is as follows:

2. As brownfield operations are business initiatives, their search for operating space is a market-driven behaviour. As in the situations of other business operators affected by clearances for Government-led projects, the Government's fundamental policy is to provide monetary compensation for eligible business operators to assist them in making their own arrangements upon clearances, instead of providing "one-on-one" re-provisioning arrangements.

3. That said, through land planning and other policy initiatives, the Government will create a favourable environment to channel business undertakings on brownfield sites towards an appropriate and sustainable direction. To this end, the following measures have been adopted:

- (a) 61 hectares of land has been reserved in Hung Shui Kiu/Ha Tsuen (HSK/HT) New Development Area (NDA) for logistics facilities, port back-up, depot and storage uses. Most of the land reserved will be used for development of MSBs with a view to accommodating brownfield operations in a more land-efficient manner.

- (b) We are now seeking funding approval from the Legislative Council for the First Phase development of HSK/HT NDA. One of the key elements in the First Phase development is the land formation for 8 out of the 61 hectares, with which the first batch of MSB sites is expected to be ready in 2023 for building completion targeted in 2027, and in time for the larger scale clearance operations from 2028 onward to provide options of relocation sites to affected operators.
- (c) Regarding the operation model of MSBs, we are tendering for a market sounding exercise to help formulation of arrangements that could facilitate market participation in the development of MSBs and encourage brownfield operators to move into MSBs.
- (d) Prior to the availability of the MSBs, as part of our multi-pronged approach in assisting affected brownfield operations, we will provide advisory and facilitation services from the planning and lands perspective to operators in search of suitable sites for their re-establishment. These will help operators re-establish their operations to continue their undertakings in a legally-acceptable manner. The Planning Department is reviewing the "Planning Guidelines No. 13E"¹ with reference to the findings of the Brownfield Study announced earlier, and is seeing how to guide the relevant industries to operate in suitable sites to avoid proliferation of brownfield operations.
- (e) The Government is looking for suitable temporary sites on government land for use by certain operators of business undertakings affected by NDAs or other government's development clearance exercises in the form of short-term tenancy. We are striving to put up the first batch of sites for limited tender in the second half of this year.
- (f) At a macro planning level, apart from the 61 hectares and 11 hectares of land respectively reserved in HSK/HT NDA and Yuen Long South Development, we will continue to reserve land

¹ The full name of the Planning Guidelines is "Town Planning Board Guidelines for Application for Open Storage and Port Back-up Uses under Section 16 of the Town Planning Ordinance".

to consolidate brownfield operations in major development projects, such as Lam Tei Quarry, the New Territories North NDA and Lung Kwu Tan near-shore reclamation.

- (g) In addition, the Government will continue to strengthen enforcement actions in respect of brownfield sites involving non-compliances under the planning and land regimes, including giving priority to combating unauthorised developments near or at environmentally sensitive areas.

4. We welcome the chance to continue communicating with Members on the issue of brownfield operations through the Panel on Development.

**Development Bureau
Civil Engineering and Development Department
Planning Department
Lands Department**

March 2020