

立法會
Legislative Council

LC Paper No. CB(1)1512/20-21
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Panel on Development

Minutes of meeting
held on Tuesday, 28 September 2021, at 2:30 pm
in Conference Room 1 of the Legislative Council Complex

Members present : Ir Dr Hon LO Wai-kwok, GBS, MH, JP (Chairman)
Hon LAU Kwok-fan, MH, JP (Deputy Chairman)
Hon Abraham SHEK Lai-him, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, SBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBM, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Michael TIEN Puk-sun, BBS, JP
Hon Frankie YICK Chi-ming, SBS, JP
Hon MA Fung-kwok, GBS, JP
Hon CHAN Han-pan, BBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Hon Alice MAK Mei-kuen, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon Holden CHOW Ho-ding
Hon Wilson OR Chong-shing, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS, JP

Member attending : Hon SHIU Ka-fai, JP

Member absent : Hon CHEUNG Kwok-kwan, JP

**Public officers
attending**

: Agenda item II

Mr Michael WONG Wai-lun, JP
Secretary for Development

Mr Vic YAU Cheuk-hang, JP
Deputy Secretary for Development (Planning & Lands)¹

Ms Angora NGAI Lai-ying
Assistant Secretary (Harbour)¹
Development Bureau

Agenda item III

Mr Michael WONG Wai-lun, JP
Secretary for Development

Ms Jenny CHOI Mui-fun
Deputy Secretary for Development (Planning & Lands)²

Agenda item IV

Ms Bernadette LINN, JP
Permanent Secretary for Development (Planning & Lands)

Mr Jackie LIU
Principal Assistant Secretary (Planning & Lands)⁷
Development Bureau

Mr Thomas HUNG
Assistant Secretary (Planning)⁴
Development Bureau

Mr Tony MOYUNG, JP
Deputy Director/Specialist
Lands Department

Ms Lily YAM, JP
Assistant Director/Board
Planning Department

Agenda item V

Mr Johnny CHAN Chi-ho
Principal Assistant Secretary (Works)2
Development Bureau

Mr Eric CHENG Yuk-man
Assistant Secretary (Works Policies 2)5
Development Bureau

Dr Raymond CHEUNG Wai-man, JP
Head of Geotechnical Engineering Office
Civil Engineering and Development Department

Mr Lawrence SHUM Ka-wah
Chief Geotechnical Engineer/Island
Civil Engineering and Development Department

**Attendance by
Invitation : Agenda item III**

Ir WAI Chi-sing, GBS, JP, FHKEng
Managing Director
Urban Renewal Authority

Mr Eric POON Shun-wing
Executive Director (Commercial)
Urban Renewal Authority

Mr Wilfred AU Chun-ho
Director (Planning and Design)
Urban Renewal Authority

Mr Lawrence MAK Chung-kit
General Manager (Planning and Design)
Urban Renewal Authority

Clerk in attendance : Ms Connie HO
Chief Council Secretary (1)2

Staff in attendance : Mr Raymond CHOW
Senior Council Secretary (1)10

Ms Iris SHEK
Council Secretary (1)2

Ms Christina SHIU
Legislative Assistant (1)2

Action

Policy briefing on 13 October 2021

The Chairman reminded members that a Panel meeting would be held on Wednesday, 13 October 2021, from 9:00 am to 10:30 am to receive a briefing by the Secretary for Development ("SDEV") on the Chief Executive's 2021 Policy Address in respect of the policy initiatives of the Development Bureau.

(Post-meeting note: The policy briefing was rescheduled to Monday, 25 October 2021, from 10:45 am to 12:15 pm due to the issuance of the Tropical Cyclone Warning Signal No. 8 on 13 October 2021. Members were informed of the rescheduled meeting arrangements vide LC Paper No. CB(1)1426/20-21 issued on 15 October 2021.)

I Information paper(s) issued since the last meeting

(LC Paper No. CB(1)1280/20-21(01) — Administration's paper on annual report on implementation of land supply strategy)

2. Members noted that the above information paper had been issued since the last meeting on 24 August 2021.

II Proposed Member's Bill to amend the Protection of the Harbour Ordinance (Cap. 531)

(LC Paper No. CB(1)1271/20-21(01) — Letter dated 27 August 2021 from Hon Alice MAK on her proposed Member's Bill to amend the Protection of the Harbour Ordinance (Cap. 531) (enclosing the draft Bill)

LC Paper No. CB(1)1347/20-21(01) — Legislative Council Brief on Protection of the Harbour (Amendment) Bill 2021 provided by Hon Alice MAK (enclosing the draft Bill))

Other relevant papers

(LC Paper No. CB(1)1353/20-21(01) — Submission from the Society for Protection of the Harbour (English version only)

LC Paper No. CB(1)1370/20-21(01) — Submission from Mr Winston CHU Ka-sun dated 27 September 2021 (English version only))

3. At the invitation of the Chairman, Ms Alice MAK briefed members on the Protection of the Harbour (Amendment) Bill 2021 ("the Bill") which she intended to introduce as a Member's Bill into the Legislative Council ("LegCo"). The Bill sought to amend the Protection of the Harbour Ordinance (Cap. 531) ("PHO") to establish a central harbour area; to ensure non-reclamation projects in the harbour could be proceeded smoothly; and to exempt reclamation projects for public purpose outside the central harbour area from PHO. Details of the Bill were set out in Ms MAK's letter dated 27 August 2021 (LC Paper No. CB(1)1271/20-21(01)) (Chinese version only) and the LegCo Brief provided by Ms MAK (LC Paper No. CB(1)1347/20-21(01)).

4. On the background and objects of the Bill, Ms MAK advised that:

- (a) PHO was enacted in 1997 to protect and preserve the harbour by establishing a presumption against reclamation in the central harbour, the boundaries of which as defined under the Ordinance at that time were "On the east — a straight line drawn from the extreme south-east point of Hung Hom adjacent to Kowloon Bay to the extreme north point of Hong Kong island at North Point. On the west — a line following the course of the easternmost conduit of the tunnel defined in section 2 of the Western Harbour Crossing Ordinance (Cap. 436).";
- (b) PHO was amended in 1999 to expand the area to be protected and preserved from the central part of Victoria Harbour (i.e. the central

harbour) to cover the whole of Victoria Harbour (i.e. the harbour) as specified in Schedule 3 to the Interpretation and General Clauses Ordinance (Cap. 1), in which the boundaries of the harbour were defined as "On the east — A straight line drawn from the westernmost extremity of Siu Chau Wan Point to the westernmost extremity of Ah Kung Ngam Point (sometimes known as Kung Am); On the west — A straight line drawn from the westernmost point of Island of Hong Kong to the westernmost point of Green Island, thence a straight line drawn from the westernmost point of Green Island to the south-easternmost point of Tsing Yi, thence along the eastern and northern coast lines of Tsing Yi to the westernmost extremity of Tsing Yi and thence a straight line drawn true north therefrom to the mainland.";

- (c) the amended PHO and the judgment laid down by the Court of Final Appeal in 2004 (FACV No. 14/2003) ("CFA Judgment") which held that reclamation in the harbour had to satisfy the Overriding Public Need Test had rendered it difficult for the Government to carry out projects to optimize the use of the harbourfront; and
- (d) the Bill sought to amend PHO to establish a central harbour area, the boundaries of which were the same as those of the central harbour set out in PHO enacted in 1997, within which reclamation could not be carried out so that the core part of the harbour remained unaffected by the amendments proposed under the Bill. For reclamation outside the central harbour area, the Bill sought to exempt such reclamation from the provisions of PHO if the Chief Executive in Council decided that such reclamation was required for public purpose.

5. Ms MAK then went on to clarify certain misunderstandings in the community regarding the Bill:

- (a) the intent of the Bill was to relax the rigid provisions of PHO to facilitate the implementation of harbourfront projects for the benefit of the public. The existing legal presumption against reclamation in the harbour (i.e. section 3(1) of PHO) would remain unchanged upon the passage of the Bill;
- (b) it was not the object of the Bill to allow arbitrary reclamation in the Victoria Harbour, and the amendments to PHO proposed under the Bill would not lead to such a consequence either. Reclamation outside the central harbour area for which an exemption was granted

by the Chief Executive in Council as proposed under the Bill still had to comply with the relevant requirements under the Town Planning Ordinance (Cap. 131) and the Environmental Impact Assessment Ordinance (Cap. 499);

- (c) it was noteworthy that while the Society for Protection of the Harbour ("SPH") expressed objection to the Bill in its submission (LC Paper No. CB(1)1353/20-21(01)) (English version only), it had issued a paper in 2011 ("the Paper") suggesting a proportionality principle for harbour reclamation as to how the CFA Judgment was to be applied. The then Chairperson of SPH issued a statement in the same year stating that "[t]he purpose of the Paper was to identify relevant factors for consideration with regard to the word 'overriding' used in the CFA Judgment. This word 'overriding' has been presenting a problem to the Government and the community and because of which the Government has stopped all new reclamations in the harbour even if they might be meritorious". Ms MAK reiterated that the Bill aimed to facilitate the implementation of harbourfront projects that were meritorious in light of the concern that the CFA Judgment had hindered the Government from taking forward worthwhile projects; and
- (d) SPH opined in its submission that the introduction of the Bill to amend PHO might be redundant as a motion moved by Mr Paul TSE on "Examining the amendment of PHO and implementing the Kwun Tong Typhoon Shelter reclamation works" at the Council meeting of 17 March 2021 was negatived. Yet, it should be pointed out that while Members who had spoken on the motion (including herself) expressed reservation on implementing the Kwun Tong Typhoon Shelter ("KTTS") reclamation works, there was a consensus that PHO should be reviewed.

Views and concerns expressed by Members

6. The Chairman said that under the established procedure, a Member who intended to present a bill should consult the relevant LegCo Panel on a draft of the bill. He would first allow Members to express views on the Bill and then the Administration would be invited to give a consolidated response to these views.

Consultation on the proposed Member's Bill

7. Mr Tony TSE said that he was a member of the Harbourfront Commission. He opined that in view of the important role played by PHO in

protecting the Victoria Harbour, an invaluable asset of Hong Kong, the suggestion of reviewing PHO which had been implemented for more than 20 years should be open for discussion. Moreover, apart from consultation with the LegCo Panel on the Bill, an extensive consultation with professional bodies and members of the public would also be required.

8. Mr SHIU Ka-fai, a non-Panel Member, and Mr Paul TSE agreed that PHO should be amended. Mr TSE further clarified that the wording of his motion moved at the Council meeting of 17 March 2021 was to examine and appropriately amend PHO so as to explore the KTTS reclamation project, and the purpose of the motion was not to call for an immediate reclamation. The motion was negated due to objection by Members of different parties on various grounds.

Implications of the Protection of the Harbour Ordinance and the Court of Final Appeal Judgment in 2004

9. The Deputy Chairman considered it necessary to amend PHO with a view to facilitating the implementation of projects in the Victoria Harbour for the benefit of the public. He considered that given the demanding requirements of the Overriding Public Need Test laid down in the CFA Judgment, it might be difficult for the concerned Government bureaux/departments to judge whether the projects they proposed could satisfy the Test. They might also be reluctant to make such a judgment for fear of bearing the concerned responsibility. In this connection, the Deputy Chairman enquired if an administrative mechanism would be introduced for the Chief Executive in Council to determine whether a project had an overriding public need for reclamation; if so, it might be unnecessary to reduce the area of the harbour to be protected by establishing a central harbour area as proposed under the Bill since only projects that had an overriding public need for reclamation and were beneficial to the public as determined by the Chief Executive in Council could be carried out.

10. Expressing concern about the implications of PHO and the CFA Judgment on development, Mrs Regina IP and Mr Tony TSE enquired how many projects planned to be implemented in the Victoria Harbour had been affected by the Ordinance since its enactment in 1997, including those projects which had been delayed or shelved, and the additional cost and time so incurred for the relevant projects.

11. The Chairman said that the construction industry had made use of sophisticated technology to satisfy the Overriding Public Need Test for the temporary reclamation required for the Central-Wan Chai Bypass project. The Deputy Chairman asked whether the implementation of PWP Item No. 873TH (construction of the Boardwalk underneath the Island Eastern

Corridor), an item discussed at the last Panel meeting on 24 August 2021, would be affected by PHO.

12. Mr MA Fung-kwok said that while it was necessary to protect the Victoria Harbour, the rigid provisions in PHO had resulted in problems such as increase in public expenditure and members of the public not being able to benefit from certain harbourfront-related projects. Therefore, amendments to the existing PHO should be considered. Mr MA agreed to the suggestion of establishing a central harbour area as proposed under the Bill to restore the area to be protected to that provided in the Ordinance when it was enacted in 1997 (i.e. the central harbour). Mr Paul TSE shared the views of Mr MA.

13. Mr MA Fung-kwok was also concerned whether the Administration would hesitate to carry out projects in the Victoria Harbour in view of the CFA Judgment. He opined that it was worthy to consider relaxing the requirements under the Overriding Public Need Test laid down in the CFA Judgment, and suggested that factors such as the contribution of the relevant projects to the economy and community should also be taking into account under the Test. Mr Paul TSE and Mrs Regina IP expressed a similar concern over the demanding requirements of the Test. Mr TSE queried why the Administration had not taken the initiative to amend PHO if the CFA Judgment had deviated from the original legislative intent of PHO.

Empowering the Chief Executive in Council to decide whether reclamation was required for public purpose

14. As regards the proposed provision of empowering the Chief Executive in Council to decide whether reclamation was required for public purpose under the Bill, Mr MA Fung-kwok enquired about the factors required to be considered by the Chief Executive in Council before making such a decision, the definition of public purpose and the enforcement mechanism. He considered that further discussion on these issues was required in order to reach a consensus in the community and therefore public consultation should be carried out as soon as possible. Mr Paul TSE echoed the views of Mr MA and was concerned about the difficulty in striking a proper balance between development and protection of the harbour if the aforesaid proposed provision was adopted. He considered that the Administration should thoroughly review PHO and consult the relevant stakeholders before making a decision on the amendments to be proposed, instead of studying the Bill hastily.

Response of the Administration

15. SDEV made a consolidated response to the views and concerns expressed by Members as follows:

- (a) the Administration appreciated the intention of Ms Alice MAK in proposing the Bill to amend PHO for the future of Hong Kong. The Law Draftsman had recently issued a certificate to Ms MAK indicating that the Bill conformed to the relevant requirements and the general form of Hong Kong legislation. Under the established procedure, Ms MAK had to seek the opinion of the President of LegCo in writing; if the President of LegCo was of the opinion that the Bill related to Government policies, she was required to seek the written consent of the Chief Executive for introducing the Bill;
- (b) there would be room to review PHO and related matters in the Seventh LegCo and would engage Members and the public for any proposed amendments to the existing legislation and administrative measures when things were mature. Yet, the purpose of such amendments should not be for facilitating reclamation to provide land for sale or housing development, but primarily for improving connectivity to the harbourfront and provision of open space;
- (c) to improve the connectivity of the harbourfront and increase public space, two projects involving reclamation in the Victoria Harbour, namely the Boardwalk underneath the Island Eastern Corridor and the proposed pedestrian cum cyclist bridge with travellers across KTTS, would be carried out. The funding proposal of the Boardwalk project had been supported by the Panel and endorsed by the Public Works Subcommittee and would be submitted to the Finance Committee ("FC") for approval at its meeting on 8 October 2021. The funding proposal of the proposed pedestrian cum cyclist bridge was expected to be submitted to FC in 2024; and
- (d) since the CFA Judgment in 2004 which set out the requirements on reclamation in the harbour, the Administration had accumulated experience on following these requirements. For example, the Report on Cogent and Convincing Materials to Demonstrate Compliance with the Overriding Public Need Test had been completed for the Boardwalk project which confirmed that the project satisfied the Test. The Administration was confident that the proposed pedestrian cum cyclist bridge project could satisfy the Test as well.

Concluding remarks

16. The Chairman said that Ms Alice MAK might take into account Members' views in considering the way forward for the Bill.

[At 2:45 pm, the Chairman said that he would "draw a line" for members' enquiries. He would allow members who had indicated their intention to speak to raise questions. He reminded members of his direction again at 2:57 pm.]

III District Study for Yau Ma Tei and Mong Kok of the Urban Renewal Authority

(LC Paper No. CB(1)1347/20-21(02) — Administration's paper on District Study for Yau Ma Tei and Mong Kok of the Urban Renewal Authority

LC Paper No. CB(1)1347/20-21(03) — Paper on the District Study for Yau Ma Tei and Mong Kok conducted by the Urban Renewal Authority prepared by the Legislative Council Secretariat (Background brief))

Other relevant paper

(LC Paper No. CB(1)1371/20-21(01) — Submission from an organization (舊區街坊自主促進組) dated 27 September 2021 (Chinese version only))

17. At the invitation of the Chairman, SDEV briefly introduced the District Study for Yau Ma Tei and Mong Kok of the Urban Renewal Authority ("the Study"), and advised that the Administration would work with the Urban Renewal Authority ("URA") to finalize the implementation details of the recommendations and planning tools proposed in the Study. With the aid of a powerpoint presentation, General Manager (Planning and Design), URA then briefed members on the details of the findings and recommendations of the Study.

(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)1039/20-21(02) (Chinese version only) by email on 22 June 2021.)

Cost and implementation timetable of the Master Urban Renewal Concept Plan for Yau Ma Tei and Mong Kok districts

18. Mr Vincent CHENG declared that he was a non-executive director of the URA Board. Mr CHENG, the Deputy Chairman and Dr Junius HO expressed support to introduce new planning tools to enhance financial viability and induce private sector participation in the implementation of the Master Urban Renewal Concept Plan ("MRCP") for the Yau Ma Tei and Mong Kok districts (Yau Mong districts) recommended in the Study. Considering that the scale of the redevelopment would be substantial, these members suggested the Administration and URA coordinate the implementation of MRCP and encourage greater participation of the private sector with a view to stepping up the urban renewal momentum.

19. SDEV responded that MRCP outlined the planning vision for urban renewal in Yau Mong districts. Given the massive scale of the redevelopment, it would be unrealistic for either the Administration or URA to solely undertake the implementation of all projects proposed in MRCP without private sector participation. He added that while URA would act as a facilitator to spearhead the development of the five proposed development nodes ("DNs"), private sector's participation would also be required in implementing projects proposed in MRCP.

20. The Deputy Chairman, Ms Alice MAK and Mrs Regina IP supported the directions of urban renewal of Yau Mong districts recommended in the Study. Expressing concern that the entire MRCP would take a very long time to realize, these members enquired whether the Administration had set a timetable for its implementation. Dr Priscilla LEUNG suggested URA consider financing the redevelopment projects proposed in MRCP by issuing bonds to enhance the financial viability of the redevelopment of Yau Mong districts.

21. SDEV advised that the Administration and URA planned to commence the preparation work for the implementation of the new planning tools (such as transfer of plot ratio, site amalgamation under street consolidation area and interchangeability of domestic and non-domestic plot ratio) in 2022, which would involve making amendments to the concerned Outline Zoning Plans and promulgation of relevant guidelines. Projects proposed in MRCP would then be carried out progressively. SDEV further said that it would be unrealistic to set a timetable for the implementation of the entire MRCP at this stage. The Government would complement the work of URA in implementing MRCP and the participation of the private sector could expedite the progress of implementation. This would be akin to the progressive implementation of the Urban Renewal Plan for Kowloon City promulgated in 2014. So far, seven renewal projects had been carried out, among which half of the 4 000 new flats would be completed by 2025-2026. Managing Director, URA added that the renewal projects in Yau Mong districts would be categorized into three types, namely (i) development proposals led by URA which would be included in

URA's Corporate Plans; (ii) development proposals led by the private market; and (iii) development of public facilities led by the Administration.

22. Mr Tony TSE declared that he was a non-executive director of the URA Board. Mr TSE considered that there was room to reduce the maximum non-domestic plot ratio ("PR") for redevelopment projects in Yau Mong districts as the demand for shops was decreasing in recent years. He suggested that, as long as the overall PR was kept within the permissible limit of the Outline Zoning Plan concerned, the non-domestic PR so reduced could be switched to domestic PR to increase the supply of residential flats in the redeveloped area. SDEV took note of Mr TSE's suggestion, and advised that URA had made a similar suggestion in the Study.

Population density of Yau Ma Tei and Mong Kok districts

23. The Chairman noted that URA would, as a start, work on the basis of "+" scenario of MRCP and, subject to resource availability and land supply situation, gradually move to the "0" or "-" scenario as an ultimate goal. Given that most of the new development areas ("NDAs") were not yet ready for population intake, the Chairman questioned how the "0" or "-" scenario pursuant to which the population would be reduced by 30% to the maximum (i.e. the "-" scenario) could be achieved. The Chairman considered that the Administration and URA should make clear whether decreasing the population density of Yau Mong districts was the main objective of the renewal plan. Mr Tony TSE was also concerned how the Administration/URA could reduce the population density in Yau Mong districts given that most people preferred residing in urban areas.

24. Managing Director, URA responded that adopting the MRCP "+" scenario (i.e. increasing domestic and non-domestic gross floor area with population capped at the existing level at 213 000) at the start could reduce URA's financial burden. He further pointed out that MRCP was a dynamic model. Should members of the public aspire for a more spacious living environment in the future, MRCP could be adjusted to the "0" or "-" scenario gradually in light of the changing circumstances. SDEV added that the development of Kau Yi Chau Artificial Islands and New Territories North would provide a large area of new land for development in the future. With the implementation of the proposed new planning tool of transfer of PR which could also be applied in other districts across the territory where appropriate, it might be possible to transfer the PR of sites in Yau Mong districts to NDAs in the future, rendering the reduction in population density in the two districts possible. He considered it appropriate for URA to adopt the MRCP "+" scenario as the planning vision of Yau Mong districts at the initial stage.

New development nodes

25. Mr SHIU Ka-fai noted that the Yau Ma Tei Fruit Market ("YMTFM") would be developed into one of the proposed DNs in MRCP pursuant to which the existing wholesale operations of YMTFM were proposed to be relocated to a new Multi-Storey Building with topside commercial development at the adjoining Hau Cheung Street. Referring to the request of the fruit market operators that a new multi-storey building with provision of carpark designated solely for reprovisioning of fruits wholesalers be constructed at the site adjacent to the current YMTFM, Mr SHIU said that the operators concerned were not in support of the proposal put forth by the Administration and URA. Mr SHIU criticized the Administration and URA for not consulting the fruit market operators prior to announcing the proposal. Dr Priscilla LEUNG also urged the Administration and URA to proactively consult the fruit market operators on the future development of YMTFM.

26. SDEV advised that the Chief Executive announced the Administration's plan to conserve and revitalize YMTFM in 2018. To take forward the plan, the Home Affairs Bureau ("HAB") entrusted URA to conduct a feasibility study on the revitalization of YMTFM and the report of the study was completed and later submitted to HAB in March 2020. HAB would take into account the findings and recommendations of the Study in formulating the revitalization plan of YMTFM with a view to achieving a more comprehensive planning in the Yau Ma Tei area. SDEV said that he would convey Mr SHIU's views to HAB, and added that before any project proposed in the Study was implemented, relevant stakeholders would be consulted.

27. As regards the proposed Nullah Road Urban Waterway ("NRUW") DN in Mong Kok East, Dr Priscilla LEUNG urged the Administration to properly manage the waterway to prevent the emission of odour. SDEV responded that the Administration would ensure that the water quality of the nullah at Flower Street Path was up to an acceptable level in taking forward the NRUW DN project.

28. In response to Mr Vincent CHENG's enquiry about the timetable for the implementation of the five DNs, SDEV said that the five projects would not be carried out concurrently. URA would conduct consultation before setting the implementation priority of the five DNs.

29. Mr Tony TSE stressed the importance of proper maintenance of aged buildings in old urban areas and advised that URA should continue with its work in promoting the rehabilitation of old buildings in Yau Mong districts while taking forward the massive urban renewal plan set out in MRCP. He also

enquired about the reason for not exploring the possibility of introducing a new mass transit system in Yau Mong districts in the Study.

30. SDEV advised that the Administration was aware of the importance of building rehabilitation and assured members that URA would continue to implement the relevant schemes, such as the Operation Building Bright 2.0 and the Fire Safety Improvement Works Subsidy Scheme. He added that the Transport and Housing Bureau ("THB") had commenced the Strategic Studies on Railways and Major Roads beyond 2030 to investigate the layout of railway and major roads infrastructures across the territory. The need for introducing a new mass transit system in Yau Mong districts would be explored in the aforesaid Strategic Studies.

Provision of affordable housing at Yau Ma Tei and Mong Kok districts

31. Mr Vincent CHENG and Ms Alice MAK pointed out that many grass-roots households were currently residing in old buildings in Yau Mong districts and expressed concern about the compensation and rehousing arrangements for the households affected by the redevelopment projects under MRCP. Noting that URA would identify suitable sites for the development of affordable housing in the form of "Starter Homes", Mr CHENG and Ms MAK enquired whether other forms of subsidized housing, including public rental housing and transitional housing, would be provided as well in the Study area in the future such that the affected grass-roots households could be rehoused locally.

32. SDEV advised that it would be more financially viable for URA to provide affordable housing in the form of "Starter Homes" given the acquisition costs involved. The Development Bureau would liaise with THB to examine the feasibility of providing subsidized housing, such as public rental housing and Home Ownership Scheme flats, in Yau Mong districts. As regards the rehousing arrangements for households affected by urban renewal in the two districts, SDEV said that the Hong Kong Housing Society had started to develop dedicated rehousing estates at Kai Tak which would provide around 1 000 flats for households affected by various URA's urban renewal projects. Another site in Kowloon City had also been reserved for the same purpose and it was expected that another 1 000 flats would be provided. The first batch of dedicated rehousing estates would be completed by 2025-2026. Furthermore, when redeveloping old community facilities with residual PR in urban area, the Administration would explore the feasibility of providing dedicated rehousing estates atop in accordance with the principle of "single site, multiple use".

Other views and concerns

33. Dr Junius HO proposed that the compulsory sale threshold be lowered from the current 80% to 60% to facilitate private developers in applying for compulsory sale for redevelopment of old buildings to speed up the pace of renewal of Yau Mong districts. SDEV said that while the relevant issue was outside the scope of the subject being discussed, he would take note of Dr HO's suggestion.

IV Progress of revitalization of industrial buildings

(LC Paper No. CB(1)1347/20-21(04) — Administration's paper on progress of revitalization of industrial buildings

LC Paper No. CB(1)1347/20-21(05) — Paper on revitalization of industrial buildings prepared by the Legislative Council Secretariat (Updated background brief))

34. At the invitation of the Chairman and with the aid of a powerpoint presentation, Permanent Secretary for Development (Planning & Lands) ("PS/DEV(P&L)") briefed members on the implementation progress of various measures to promote revitalization of industrial buildings ("IBs").

(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)1376/20-21(02) (Chinese version only) by email on 28 September 2021.)

Wholesale conversion of industrial buildings for transitional housing use

35. The Deputy Chairman noted that the Administration had introduced a basket of measures since 2018 to promote the revitalization of IBs, including one that aimed at facilitating the implementation of community-led transitional housing proposals at wholesale-converted IBs. However, only one application for a waiver for provision of transitional housing units at a wholesale-converted IB had been received so far. The Deputy Chairman enquired whether the Administration had looked into the causes for the limited market response, and suggested that the Administration should consider refining the measure to enhance its effectiveness. He further suggested that the Administration should consider providing incentives or facilitating measures to encourage the redevelopment of IBs situated at appropriate locations into permanent housing units with a view to boosting housing supply.

36. Mr Michael TIEN also queried the effectiveness of the measure to incentivize the wholesale conversion of IBs for transitional housing use. Pointing out that owners had little incentives to convert their IBs into transitional housing due to the high conversion costs involved and the difficulty in achieving cost recovery for such projects, Mr TIEN suggested that the Administration should consider fully subsidizing the relevant conversion costs. The Chairman remarked that the relevant measure could provide policy flexibility for the conversion of IBs into transitional housing notwithstanding that not many waiver applications had been received so far.

37. PS/DEV(P&L) explained that the Administration had introduced various initiatives to incentivize wholesale conversion of privately-owned IBs for transitional housing use and remove previous limitations. For example, the Buildings Department had promulgated the Guidelines on Applications for Special Modification or Exemption for Transitional Housing Initiatives in Domestic Buildings and would consider granting transitional housing projects certain exemptions from requirements on plot ratio, air ventilation, lighting, etc. Moreover, the wholesale conversion of IBs for transitional housing use would be regarded as permitted temporary use, and no separate application to the Town Planning Board would be required. The Funding Scheme to Support Transitional Housing Projects by Non-government Organizations ("the Funding Scheme") under the Transport and Housing Bureau could provide subsidies for IB owners to convert their IBs into transitional housing. In December 2020, the Assessment Committee for the Funding Scheme approved a subsidy of \$61.5 million for conversion of an IB in Kwun Tong into transitional housing.

38. PS/DEV(P&L) also noted that private owners willing to make substantial investments in redevelopment or conversion of IBs might understandably prefer using the redeveloped/converted premises for permanent purposes (e.g. commercial, industrial, or residential uses), rather than for transitional housing use. Some might also be mindful whether any transitional housing use at wholesale-converted IBs could affect the market value of other uses in the future.

39. PS/DEV(P&L) further advised that, apart from facilitating transitional housing projects, the Administration had continuously been rezoning suitable industrial land for commercial or residential uses so as to, among others, boost housing supply, including public housing development. She added that the construction of transitional housing units on vacant government land or private land was the major source of supply of transitional housing.

Pilot scheme for charging land premium at standard rates for redevelopment of industrial buildings

40. The Deputy Chairman enquired how the standard rates to be applicable to lease modifications under the pilot scheme for charging land premium at standard rates for redevelopment of IBs ("the pilot scheme") was determined. Noting that five applicants had opted for premium assessments by standard rates since the launch of the pilot scheme in March 2021, the Deputy Chairman enquired about the proportion of IB redevelopment cases with premium assessed by standard rates out of all relevant applications received during the same period. He also opined that the prolonged negotiation process required between the land owners and the Government on the premium payable under the conventional approach for conversion of agricultural/commercial land to residential use was not conducive to advancing land supply for housing development. In this connection, the Deputy Chairman suggested that the Administration should consider extending the arrangement of charging land premium at standard rates to these land development projects to allow the concerned land owners to opt for premium assessment either under the conventional approach or by standard rates with a view to expediting housing development.

41. PS/DEV(P&L) replied that the pilot scheme was introduced with an aim of giving a stronger push to expedite lease modification for redevelopment of old IBs. While at the time of the meeting the Administration had yet to determine whether the arrangement of charging land premium at standard rates could be extended to other land applications, it would continue to monitor the market response. So far, market response to the pilot scheme as applicable to IB redevelopments had been encouraging.

42. Deputy Director/Specialist, Lands Department added that the standard rates to be applicable to lease modifications would be based on those in one of the five broad regions in Hong Kong where the lot(s) was/were situated as set by the Administration. As the premium assessed by standard rates might not be lower than the premium assessed under the conventional approach for all cases, some applicants would not opt for premium assessment by standard rates. He advised that the applicants of some 10 IB redevelopment cases had yet to decide on the premium assessment options to be chosen as the deadline for response had not passed. Of the five cases where the applicants had opted for premium assessments by standard rates, four had been accepted, among which three cases had been executed while the processing of one case was almost completed.

V Update on Landslip Prevention and Mitigation Programme
(LC Paper No. CB(1)1347/20-21(06) — Administration's paper on
update on Landslip

Prevention and Mitigation Programme
LC Paper No. CB(1)1347/20-21(07) — Paper on the Landslip Prevention and Mitigation Programme prepared by the Legislative Council Secretariat (Updated background brief))

43. At the invitation of the Chairman and with the aid of a powerpoint presentation, Head of Geotechnical Engineering Office, Civil Engineering and Development Department ("H/GEO/CEDD") briefed members on the progress of the Landslip Prevention and Mitigation Programme ("LPMitP") and the application of innovation and technology for the implementation of LPMitP, the details of which were set out in the Administration's paper (LC Paper No. CB(1)1376/20-21(03)).

(Post-meeting note: A soft copy of the powerpoint presentation materials was circulated to members vide LC Paper No. CB(1)1376/20-21(03) (Chinese version only) by email on 28 September 2021.)

Use of technology in enhancing the effectiveness of the Landslip Prevention and Mitigation Programme

44. Ms Alice MAK said that major roads on Lantau Island had been affected by landslide problem which resulted in blockage of road and severe hindrance of residents' travel. Whilst the relevant situation had improved in recent years after the completion of certain landslide prevention and mitigation works under LPMitP, Ms MAK enquired whether the Administration would put in place necessary measures to monitor the conditions of the relevant slopes under extreme weather conditions, such as persistent heavy rainfall, to predict and prevent the occurrence of landslide. Given that landslide had been a long-standing problem affecting residents of Lantau Island, Ms MAK urged the Administration to conduct more in-depth studies on the landslide risks associated with slopes along major roads on Lantau Island and press ahead with the relevant landslide prevention and mitigation works.

45. Principal Assistant Secretary (Works)2, Development Bureau ("PAS(W)2/DEVB") advised that 58 out of 70 registered slopes along South Lantau Road had been upgraded under LPMitP, which mainly affected facilities such as rain shelters or bus stops, and the landslide risk associated with the remaining slopes, were of moderate level. The Administration would assess these slopes under the risk-priority ranking system of LPMitP, and the necessary landslide prevention and mitigation works would be carried out on

the concerned slopes in accordance with their priorities on the ranking list. H/GEO/CEDD added that the Administration had identified vulnerable natural hillside catchments that were close to important transport corridors through the application of innovation and technology for action under LPMitP. He said that artificial intelligence, aerial photographs and satellite images were deployed for landslide risk assessment, which could expedite the risk-priority ranking process of vulnerable slopes and facilitate the design of the relevant landslide prevention and mitigation works. Apart from South Lantau Road, debris resisting barriers and flexible barriers had also been constructed on vulnerable hillside catchments along the North Lantau Highway to mitigate the landslide risk.

46. Mr Wilson OR commended the Administration for implementing LPMitP to address the landslide problem in Hong Kong and considered the progress of LPMitP satisfactory. Mr OR enquired how the application of innovation and technology could enhance the design workflow and cost-effectiveness of LPMitP.

47. H/GEO/CEDD advised that the Administration had taken advantage of innovation and technology to expedite the design and implementation of landslide prevention and mitigation works. For example, Building Information Modelling and satellite images were deployed to tackle complex topography and optimize the design of landslide prevention and mitigation works. The Administration had also collaborated with a local research organization in pioneering the application of a novel self-compacting backfilling material for landslide prevention and mitigation works with a view to enhancing productivity and improving the quality of recompaction of the backfill. Compared to the traditional method of recompaction which required time consuming compaction procedures and large amount of field tests, considerable time and cost had been saved by the application of the aforesaid self-compacting backfilling material.

48. In response to Mr Wilson OR's enquiry on the Administration's strategy in solving the landslide and slope maintenance problems in the long-run, H/GEO/CEDD replied that the Administration would continue with the implementation of LPMitP as the landslide risk could not be removed entirely. The Administration aimed at containing the landslide risk in Hong Kong within a reasonably low level in the long term. He said that using the overall landslide risk from man-made slopes in 1977 as the benchmark, the risk level of landslip nowadays had been substantially reduced to less than 25% of the benchmark.

Maintenance responsibilities for private slopes

49. Noting that the Administration would conduct safety-screening studies on private man-made slopes, Mr Wilson OR enquired whether Dangerous Hillside Orders ("DHOs") would be served to owners if the private slopes examined were identified to be substandard. He also enquired about the number of outstanding DHOs.

50. PAS(W)2/DEVB reported that when a private slope was assessed to be dangerous under the risk-priority ranking system of LPMitP, the Buildings Department ("BD") would serve a DHO to require the slope owner to investigate, and if necessary, to rectify the slope. As at the end of July 2021, 537 DHOs were being processed, among which about 280 cases were under investigation or with works proposals being prepared by authorized persons ("AP") or registered geotechnical engineer ("RGE"). BD had entrusted contractors to carry out the required works in default of the owners in some 200 cases. 33 cases were at the stage of prosecution/appeal for clarification of slope maintenance responsibility, and another 13 cases were in the course of appointing AP/RGE to follow up the relevant slope rectification works.

51. Expressing concern about the financial and technical difficulties faced by private slope owners in undertaking the required slopes rectification works to comply with DHOs, the Chairman enquired about the assistance rendered by the Administration to the concerned slope owners.

52. PAS(W)2/DEVB advised that the Geotechnical Engineering Office ("GEO") had set up a Community Advisory Unit to proactively provide community advisory services to private slope owners with a view to helping them fulfill their slope maintenance responsibilities and comply with DHOs. GEO had also published a guide entitled "Simple Guide to Dangerous Hillside Orders" which provided a simple step-by-step approach for private slope owners to fulfill the requirements of DHO. H/GEO/CEDD added that GEO provided assistance to private slope owners at the district level. Briefings for property management companies were held regularly to share with them information on ways to comply with DHOs. Technical advice was also given through enquiry hotline service.

VI Any other business

53. The Chairman informed members that the Secretariat would circulate for members' consideration the draft report of the Panel for the 2020-2021 session for submission to the Council on 20 October 2021.

(Post-meeting note: The draft report of the Panel was circulated to members vide LC Paper No. CB(1)1380/20-21(01) by email on

30 September 2021, and the report (LC Paper No. CB(1)1382/20-21) was tabled at the Council meeting of 20 October 2021.)

54. There being no other business, the meeting ended at 4:59 pm.

Council Business Division 1
Legislative Council Secretariat
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