

Land (Compulsory Sale for Redevelopment) (Amendment) Bill 2023**Debate and voting arrangements**

- Object of the Bill** : To amend the Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545) and its subsidiary legislation to:
- lower the thresholds for an application for compulsory sale of a lot;
 - provide for an application that covers two or more adjoining lots and an application that covers a composition of different types of lots;
 - streamline the determination of an application by the Lands Tribunal;
 - enhance support to minority owners who are owner-occupiers;
 - impose requirements on the purchaser of certain lots in relation to the redevelopment of the lots and to empower the Director of Buildings to ensure that those requirements are complied with; and
 - provide for related matters.

Joint debate	:	Clauses with no amendment, clauses and the long title with amendments and the new clauses proposed by the Secretary for Development (“SDEV”), and a clause with amendments proposed by Dr Hon TIK Chi-yuen	—	Clauses 1 to 23 and the long title, and proposed new clauses 6A, 6B, 7A and 11A
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Joint debate on the original clauses and the amendments (including the amendment to the long title and the proposed new clauses).

I. SDEV’s first and second groups of amendments**Clauses 3, 5 to 9, 11 and 23, and the proposed new clauses 6A, 6B, 7A and 11A**

The amendments seek to amend the Bill in respect of the following matters (please refer to the **Annex** for details):

- Enhancing the support to affected minority owners
- Streamlining the legal process of the compulsory sale regime
- Facilitating adjoining-lot compulsory sale applications
- Drafting amendments

II. Dr Hon TIK Chi-yuen’s amendments

The compulsory sale application thresholds for private buildings in “non-designated areas” and industrial buildings in non-industrial zones

Clause 14

- To amend the proposed section 4 of the Land (Compulsory Sale for Redevelopment) (Specification of Lower Percentage) Notice (Cap. 545A) to the effect that **the compulsory sale application threshold for buildings aged 50 or above in “non-designated areas” will remain at the existing 80%; and the compulsory sale application threshold for industrial buildings aged 30 or above in non-industrial zones will remain at the existing 80%.**

SDEV's third group of amendment

Amendment to the long title

Long title

- In view of SDEV's first group of amendments to amend the Chinese rendition of "owner-occupier" from "自住擁有人" to "自用擁有人", to amend the reference of "自住擁有人" in the Chinese version of the long title to "自用擁有人" accordingly.

Voting order	Remarks
1. Clauses with no amendment (i.e. clauses 1, 2, 4, 10, 12, 13, 15 to 22) standing part of the Bill	—
2. SDEV's first group of amendments (to amend clauses 3, 5 to 9, 11 and 23) (not including the addition of the proposed new clauses 6A, 6B, 7A and 11A)	<ul style="list-style-type: none">- Irrespective of whether SDEV's first group of amendments <u>is passed or not</u>, Dr Hon TIK Chi-yuen <u>may move</u> his amendments, and SDEV <u>may also move</u> her second group of amendments.- If SDEV's first group of amendments <u>is negatived</u>, SDEV <u>may not move</u> her third group of amendments on the long title.
3. Dr Hon TIK Chi-yuen's amendments (to amend clause 14)	<ul style="list-style-type: none">- Irrespective of whether Dr Hon TIK Chi-yuen's amendments <u>are passed or not</u>, SDEV <u>may move</u> her second group of amendments.
4. SDEV's second group of amendments (proposed new clauses 6A, 6B, 7A and 11A be read the second time and added to the Bill)	—
5. SDEV's third group of amendment (to amend the long title)	<ul style="list-style-type: none">- If SDEV's first group of amendments <u>is passed</u>, vote upon SDEV's third group of amendments on the long title.

SDEV's amendments

(set out in LC Paper No. CB(3)607/2024(01) issued on 9 July 2024)

Dr Hon TIK Chi-yuen's amendments

(set out in LC Paper No. CB(3)620/2024(01) issued on 10 July 2024)

Council Business Divisions

Legislative Council Secretariat

15 July 2024

Land (Compulsory Sale for Redevelopment) (Amendment) Bill 2023
First and second groups of amendments proposed by the Secretary for Development

<i>Main objects of the amendments</i>	<i>Clause(s) involved</i>
<p>1. Enhancing the support to affected minority owners</p> <ul style="list-style-type: none"> - In response to the suggestion of Bills Committee's members, to amend the Chinese rendition of "owner-occupier" in the relevant clauses and the long title from “自住擁有人” to “自用擁有人” to make it clear that the properties concerned include both residential and non-residential properties, and the occupation of such properties is not necessarily for residential purpose, so as to reflect the policy intent of the Administration. - To add a note to “an amount to be paid to the purchaser of the lot/lots” in the proposed new paragraph (c) of Part 2 of Schedule 1 to the Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545) (“L(CSR)O”) to set out the actual operation, i.e. the amount payable to the purchaser of the lot will be deducted from the proceeds of sale payable to the owner-occupier. - To amend the proposed new Form 35A in the Schedule to the Lands Tribunal Rules (Cap. 17A) to add a new section indicating that the owner-occupier understands that for the continued occupation of the premises concerned, the Lands Tribunal (“the Tribunal”) may order an amount to be paid by him/her to the purchaser concerned, and that amount is to be deducted from the proceeds of sale payable to him/her. 	<p>Clauses 3, 7, 8, 9 and 23</p>
<p>2. Streamlining the legal process of the compulsory sale regime</p> <ul style="list-style-type: none"> - To add a subsection to section 4 of L(CSR)O to provide that if a property involved in a compulsory sale application is vested in the Government as bona vacantia, the Government, as a “minority owner” owning the undivided shares of the property under L(CSR)O, is deemed to have filed a notice of no objection as an aforesaid “minority owner” under the proposed new section 4(2A)(b) of L(CSR)O. - To amend the proposed new section 2 of Schedule 3 to L(CSR)O to make it clear that, apart from being applicable to the original lot, the six-year redevelopment obligation¹ will only be extended to other lot(s) which are covered by the approved lot extension or in-situ land exchange application. 	<p>Clauses 5, 6, 11 and 23, and the proposed new clauses 7A</p>

¹ As suggested by the proposed new section 2 of Schedule 3 to L(CSR)O, for a new lot that is granted by the Government for an approved lot extension or in-situ land exchange application covering a lot sold under an order for sale (the original lot), the obligation to redevelop the original lot within six years will be extended to the above new lot.

<i>Main objects of the amendments</i>	<i>Clause(s) involved</i>
<ul style="list-style-type: none"> - To add a transitional provision in section 9 of L(CSR)O (Conditions deemed to be conditions in Government leases, etc.) to provide that where an order for sale is made by the Tribunal on or after the date on which the Bill is enacted and comes into operation (irrespective of whether or not an application for the order for sale is made before the above commencement date), the proposed Schedule 3 to L(CSR)O as amended by the Bill so enacted applies to the lot or lots sold under the said order for sale. - To amend section 1 of Schedule 3 to L(CSR)O to extend the maximum building covenant period for compulsory sale applications involving more than one lots from six years to seven years to minimize the chance that a joint redevelopment project as facilitated by the Bill will have to apply for extension of the building covenant period.² - To amend the proposed new Form 33A in the Schedule to the Lands Tribunal Rules (Cap. 17A) to add a new section indicating that the legal representative concerned has explained the contents of the Notice of No Objection as well as its effect to the minority owner concerned, and confirmed that the minority owner concerned signed the Notice of No Objection before him/her. 	
<p>3. Facilitating adjoining-lot compulsory sale applications</p> <ul style="list-style-type: none"> - To amend the proposed new section 4(2C)(b) of L(CSR)O to make it clear that a compulsory sale application covering 2 or more lots for which an order for sale shall not be made under section 4(2) of L(CSR)O would still be a compulsory sale application under section 3(1) L(CSR)O if a relevant lot is no longer the subject of the application, and the Tribunal could determine the application as if the relevant lot is no longer the subject of application, then the Tribunal is not subject to the above requirement of not making an order for sale. - For compulsory sale applications involving multiple adjoining lots, if the applicant has already owned all the titles of a lot under the application, there is no need to apportion the sale proceeds to the applicant and the minority owners on a pro-rata basis according to the existing use values (“EUVs”) of the properties on the lot during the second stage of apportionment of sale proceeds. To amend the proposed new section 1(a) of Part 1A of L(CSR)O to provide that under such situation, the applicant should be exempted from preparing the valuation report on the EUVs of that particular lot. 	Clauses 5 and 9
<p>4. Drafting amendments</p> <ul style="list-style-type: none"> - To amend the Chinese rendition of the proposed new section 8(1)(c) and similar existing provisions in L(CSR)O to reflect more clearly the word “immediately” in the English text. 	Clause 7, and the proposed new clauses 6A, 6B and 11A

² Under the proposal set out in the Bill, the owner-occupier will be allowed to further occupy the property for not more than six months after the sale of the lot for the sake of arranging relocations. The Administration proposed the amendments having considered that the proposal may have impact on the commencement date and progress of the redevelopment, causing the project to take more than six years to complete.