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Mr Stanley Wong, SBS, JP
Chairman
Task Force on Land Supply
17/F, West Wing, Central Government Offices
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Tamar, Hong Kong

Dear Mr Wong,

HKIS Views on Consultation on Land Supply

In response to the Public Consultation on Land Supply conducted by the HKSAR Government (“**Public Consultation**”), The Hong Kong Institute of Surveyors (“**the Institute**” or “**HKIS**”) formed its own Land Supply Task Force, under the Institute’s Land Policy Panel, to respond to the 18 land supply options put forward in the Public Consultation.

On 29 May 2018, the Institute had conducted an opinion survey to collect the views of members via questionnaires, and subsequently, held a Land Supply Forum on 12 July 2018, attended by the Chairman and Vice-Chairman of the Public Consultation, Mr Stanley Wong and Ir Dr Greg Wong, respectively.

Taking into account the views shared by the members of the Institute’s Land Supply Task Force and the results of the aforesaid opinion survey, the Institute hereby makes the following suggestions:-

1.0 General Views

1.1 Overall Land Supply Strategy

The Government should set short, medium, and long term goals for its land supply strategy and tackle the land shortage problem through multiple channels, without restricting itself to the 18 options as stipulated in the Public Consultation.

We suggest that the Government transform the existing Task Force on Land Supply into a permanent land supply authority (“**Authority**”) for the steering and monitoring of land supply after the Public Consultation. The newly formed Authority should report directly to the Chief Executive. A reference can be made to a similar organisation, the New Territories Development Department (NTDD), which was set up to implement new town development projects in the 1970s.

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1.2 Land Reserve Beyond 2030+

As suggested in the brief notes of the Public Consultation quoting the figures of the HK2030+ report issued by the HKSAR Planning Department, it is predicted that there will be a shortage of around 1,200 ha of land by 2030. The Government in formulating its current land policy should use this as a reference point.

The Institute is of the view that the Government should be more prudent in its forecast. On top of the 1,200 ha of land, the Government should reserve additional land as a “lands bank” to cater for Hong Kong’s future social, economic and environmental needs.

1.3 Streamlining and expediting development control procedures

It is necessary to carry out a comprehensive review on further streamlining the development approval procedures in planning, building and land controls, so as to improve the existing development control regime. For example, establishment of a centralised team for land premium assessment and modernising the planning control procedures. Further, we also suggest the Government to make use of smart technology, such as automatic system in data input and documents verification so as to reduce administrative burden and expedite the said approval procedures.

To ensure efficiency and transparency of the aforesaid streamlining procedures, performance pledges should be set for processing, and the Government should retain additional professionals for closely monitoring the operating process and periodical reviews by external bodies to ensure the smooth operation of the said procedures.

Since urban renewal and change of land use are major alternatives of land supply, we suggest that the Government adopt a pro-active attitude and speed up the relevant procedures.

1.4 Relaxation of Plot Ratios in Strategic Areas

Given the great improvement of infrastructures, such as railway lines and road connections in strategic areas, such as the Kowloon Metro Area and the New Towns, we suggest that the Government review the feasibility of relaxing the plot ratios in these areas. A higher development intensity and Gross Floor Area gain can be released for immediate benefits.

1.5 Ratio between Private Housing and Public Housing

We support the Government in conducting periodic reviews on the ratio between private housing supply and public housing supply.



2.0 HKIS Perspectives on the 18 Land Supply Options

2.1 Near-shore Reclamation outside Victoria Harbour

We support that reclamation can provide an important land source as a medium to long term land supply for housing, transport and infrastructure. It is also an important land resource in new town development.

Reclamation can generate a large area of new land with greater flexibility for a holistic planning of a new community, and it has relatively little impact on the existing land uses and it does not involve any land resumption issues.

While the option of reclamation outside Victoria Harbour does not lead to the question of the protection of Victoria Harbour, we must however ensure that the reclamation work shall not intervene with the biological habitat in the sea and shoreline.

The Government should adopt the latest and advanced reclamation technology to minimise the environmental impact caused and to reduce the construction time for reclamation.

2.2 Developing the East Lantau Metropolis (ELM)

In addition to near-shore reclamation outside Victoria Harbour, we also support the development of the East Lantau Metropolis by forming the artificial islands in the central waters, as well as providing a connection between the Hong Kong Island and Lantau Island through building public transport infrastructures. The artificial islands at the ELM can provide sizable flat land at a strategic location, including probably a third Central Business District (CBD) and a future new town.

The Institute suggests that the Government review the extent of the reclamation area of ELM, such that more land could be released for housing development (i.e. from 1,000 ha to 2,500 ha as suggested by Our Hong Kong Foundation). In that regard, the Government should also plan in advance the transportation system that links the aforementioned regions to the ELM.

2.3 Developing Brownfield Sites

Relocation and consolidation of the existing uses on brownfield sites may release around 760 ha of land. For this reason, the land uses of brownfield land can be released for re-development, such that the sites can be optimised by the merging of adjacent lands, and rezoning them with the provision of infrastructures.



However, the Government needs to overcome 3 major hurdles before developing the brownfield sites:-

- (1) To relocate the existing operators of that area;
- (2) To consolidate the scattered land ownerships of the lands; and
- (3) To address the need to increase investment in infrastructures (i.e. transportation and pipelines).

2.4 Developing more New Development Areas (NDA) in the New Territories

We suggest development of the NDA to ensure a steady land supply in the long term. If there are adequate infrastructures in the NDA, then the plot ratio of these areas can increase modestly. Similar to the brownfield sites, the development of NDA also entails the aforesaid 3 hurdles.

2.5 Explore viable mechanism(s) to release potential land for development

We support the Government in conducting further public consultations and identifying an open and fair mechanism to further release potential land supply through Public-Private Partnership (PPP).

We are of the view that PPP is a favourable way to unlock and to gather the scattered ownership of land in the New Territories for development, leading to a win-win situation. As seen from PPP projects around the globe, the Government can use policy methods to facilitate private development. However, public stigma against PPP may exist since they can perceive the collaboration as inequitable. In order to increase the transparency of the PPP to gain public trust, the Government should form an independent committee with members from different professional bodies and the public to review and approve proposals of the PPP.

3 Further suggestions by the HKIS

3.1 Comprehensive Development Area (CDA) Zoning

We understand that there are around 50 parcels of land zoned CDA that have not been developed for years, which is mainly due to scattered ownerships. To avoid any further delay in development, we suggest the Government to accept a lower threshold of land ownership as a pre-condition for planning approval. This can break the status quo and encourage small owners to initiate redevelopment.



3.2 Unleash the potential of Industrial Buildings

We support the Chief Executive's 2017 policy objective to reactive the revitalisation of industrial buildings. To utilise the potential of these buildings, the Authority should:-

- (1) Allow flexibility in land use so that the revitalised buildings can cater to the needs of modern industrial use; and
- (2) Improve departmental coordination to speed up the revitalisation process.

For the well-being of Hong Kong citizens, we are always ready to contribute our expertise and to work closely with other professions to assist the Government in implementing the aforesaid suggestions, and if requested, to provide further recommendations. We believe that by the collective effort from all sectors in Hong Kong, the land supply problem can be resolved in the not too distant future.

Yours sincerely,

Sr Dick Kwok
President
The Hong Kong Institute of Surveyors