

(TRANSLATED VERSION)

土地供應專責小組
Task Force on Land Supply

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Secretariat, Task Force on Land Supply
17/F, West Wing, Central Government Offices
2 Tim Mei Avenue, Tamar, Hong Kong

The Hon Mrs Carrie LAM CHENG Yuet-ngor, GBM, GBS
Chief Executive,
Office of the Chief Executive,
Tamar, Hong Kong

Dear Chief Executive,

Since the establishment of the Task Force on Land Supply (Task Force) in September 2017, Task Force Members and I have spared no efforts to review the sources of land supply and engage the community in thorough discussions on the pros and cons of different land supply options and their relative priorities, through an array of informative materials and communication channels that help raise public awareness of the facts and constraints in relation to land supply. The five-month public engagement (PE) exercise entitled “Land for Hong Kong: Our Home, Our Say” represents the Task Force’s major task, our interface with the community and a platform for consensus building.

2. Since the commencement of the PE on 26 April 2018, the Task Force adopts an all-front, cross-sectoral and multi-channel strategy to reach out extensively to different individuals and groups in the community. So far, the Task Force has conducted over 180 PE events, including 4 public forums, roving exhibitions at 40 spots in 18 districts, 70 workshops/ interviews/ seminars, 40 school and youth outreach activities, as well as a multi-media campaign (including radio interviews and sponsored programmes). All Task Force Members and I are strongly committed to the PE programme and have participated actively in various activities to have face-to-face dialogue with the public and stakeholders, and to gauge their views on the 18 land supply options and other issues relating to land supply. I would like to express my gratitude

to various sectors of the community for their active participation in the PE and their invaluable views to the Task Force.

3. The PE will come to an end on 26 September. Various view collection channels, including online and paper questionnaires, as well as the randomised telephone survey, will continue to operate until then. Thereafter, the Task Force and our consultants will conduct comprehensive analysis on the views collected during the PE, with the target to submit our recommendations to your goodself by the end of this year.

4. During the PE, there are strong calls and high expectations from different sectors in the community that the discussions would yield productive results, and that the Government under your leadership should demonstrate determination and take actions to tackle the acute land and housing shortage we currently face. In this regard, you have indicated earlier that you would like to be apprised of the Task Force's preliminary observations on the public views received so far so as to facilitate formulation of a proper response to address the public aspirations in the Policy Address to be delivered in October. To this end, the Task Force at its meeting on 21 September discussed Members' encounters with the public during the PE, and came up with the following preliminary observations on those qualitative views on the land supply strategy and individual options that are more frequently discussed and reported in public, for your reference.

Land Supply Strategy

5. In overall terms, the Task Force considers that the community generally understands and recognises the problem of acute land shortage that Hong Kong is facing; the situation in the short-to-medium term is particularly serious. Apart from housing land, there are also shortfalls in other types of land, including those for economic activities and various transport, infrastructure and community facilities. In this regard, the community generally acknowledges the urgency to boost the supply of land for different uses, as well as the need for more land (even beyond the estimated shortfall of at least 1200 hectares under the "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030") for building a land reserve to cater for unforeseeable demands and avoid recurrence of the existing dire land shortage.

6. Besides, the community generally agrees that there is no single option that could resolve the land shortage problem once and for all. A multi-pronged approach, encompassing a package of land supply measures that meet the development needs of Hong Kong in the short, medium and long term, is necessary. With the increasingly long waiting time for public rental housing and soaring property prices hitting record high, there is clear and strong community demand for increasing housing land supply in the short-to-medium term.

7. The Task Force's preliminary observations on those land supply options that have been more frequently discussed and reported in the community are set out in the ensuing paragraphs.

Developing Brownfield Sites

8. Developing more brownfield sites in the New Territories (NT) as a land supply option in the short-to-medium and medium-to-long term is generally supported by society and different sectors. It is considered that developing brownfield sites can on one hand help release existing land resources expeditiously for housing and other developments, and rationalise land uses in the rural areas in NT while improving the environment on the other. Whilst the Government has been making efforts to resume brownfield sites and rationalise land uses of brownfields through the implementation of New Development Area (NDA) projects, there are still rooms for improvement in terms of scale and speed of brownfield development.

9. For the logistics and other industries that are dependent on brownfield sites as operating space, they are concerned about whether there will be re-provisioning or substitute arrangements for them to continue operation and maintain business should the brownfield sites be resumed by the Government. While noting that not all brownfield operations could move into multi-storey buildings (MSBs), the concerned sectors also fear that they might not afford the higher rental level of MSBs when compared to existing brownfields.

10. The Task Force notes that the Government is conducting two studies on the existing usage of and operations on brownfield sites, and the feasibility of accommodating brownfield operations in MSBs. The findings of these studies would hopefully facilitate examination by the Government and society on the practical issues concerning brownfield

development, with a view to assessing thoroughly how to balance the needs of developing brownfield sites and industries' development.

Tapping into Private Agricultural Land Reserve in NT

11. The community generally agrees that the development potential of private agricultural land in the NT should be unleashed, but there are diverging views on how this should be done. Some opine that the problem of housing land shortage is so pressing that any option to increase land supply in the short-to-medium term, including Public-Private Partnership (PPP), is worthy of support. The key is to put in place a reasonable mechanism to alleviate public concern about “collusion” between the Government and business sector, and set an appropriate ratio of public housing to safeguard public interest.

12. In the absence of a concrete implementation framework, some have reservations about the suggestion to unlock private land through PPP, and questioned why the Government could not invoke the Lands Resumption Ordinance (Cap 124) to resume private land for other development purposes.

13. The Task Force believes that in order to facilitate a meaningful discussion in the community that goes beyond the prevailing concerns about possible “government-business collusion”, the Government should put forward as soon as possible a fair, open and transparent regime for PPP, and make clear that the PPP would not substitute the prevailing statutory land resumption procedures, while explaining the relationship between the two approaches.

Alternative Uses of Sites under Private Recreational Leases

14. As to whether the sites under private recreational leases (PRL) should be used for housing development or other purposes, discussions in the community mainly focus on the site of Fanling Golf Course (FGC), and the views are rather polarised.

15. On the one hand, there are quite a number of comments that PRL sites can only benefit a small group of people, and to provide a more immediate relief to the acute shortage in both land and public housing, the Government should resume those lands held under PRL that will soon expire for housing or other development purposes. On the other hand,

there are views from the sports, political and business sectors that the FGC, being the only venue in Hong Kong that can host international golf tournaments, has made substantial contribution to sports development in Hong Kong, hence resuming FGC site will adversely affect the image of Hong Kong as an international city. Housing development on the FGC site will also derogate its historical and conservation values. Meanwhile, some suggest that the leisure and recreational functions of the PRL sites should be retained, and these sites should be made more accessible for public enjoyment.

16. The Home Affairs Bureau (HAB) has conducted a public consultation and holistic review of PRL policy in tandem with the PE by the Task Force. In the circumstances, the Task Force notes that upon receiving the detailed recommendations of the Task Force by the end of this year, the Government will, taking into account the outcome of the policy review of HAB, consider the future uses of individual PRL sites in a holistic manner.

Reclamation Outside Victoria Harbour

17. For those ordinary citizens, representatives of the grassroots and industrial, commercial and professional sectors who support reactivating reclamation projects to create land, reclamation could provide sizeable new land for comprehensive planning, and would not involve private land resumption and rehousing. The option is more effective and provides better time control. Many of them pointed out that reclamation is inextricably linked with the development of Hong Kong (especially new towns and major infrastructures), and the land shortage today is, to a great extent, the result of the lack of major reclamation projects in Hong Kong over the past decade or so. As far as the quantum of land formation and the strategic positioning of Hong Kong's development are concerned, quite a number of those being positive about reclamation have shown support to the "East Lantau Metropolis" development.

18. Some professional bodies and practitioners consider that with the advance in reclamation technology nowadays, the impact to the environment could be minimised by necessary mitigation and compensation measures. The lead time for reclamation works can also be shortened by applying modern technology. As major reclamation projects involve a large number of advance studies (including environmental impact assessment), statutory and approval procedures and construction works, there are views that the Government should kick start

the preparatory works as soon as possible to ascertain the feasibility of individual reclamation sites, and provide objective data on the implementation of the projects to enable more focused discussion in future.

19. Those who have expressed concerns about reclamation are primarily worried about the site choices and the environmental impact. As the proposed reclamation site at Ma Liu Shui is in proximity to existing neighbourhood and given the local concern about the carrying capacity of transport infrastructure, there is stronger objection against the proposed reclamation project. Green groups and the agricultural and fisheries sectors are concerned about the adverse impact that might be brought by reclamations works on the ecology and fish catches. Meanwhile, some opine that reclamation would take long to complete, and could not readily increase the land supply.

Developing the Periphery of Country Parks

20. Some in the community consider that country parks are land-extensive and society should keep an open mind to exploring the feasibility of developing part of the country park periphery. In particular, some grassroots groups support developing country park periphery for public housing purpose so as to improve living environment. To strike a balance between development and conservation, some suggest introducing a compensation mechanism to make up for the loss of country park areas needed for development, i.e. if certain part on the country park periphery were to be developed, an equivalent (or even more) area of land should be incorporated into the country park area, such that the total area of the country park will not be reduced.

21. On the other hand, those groups and individuals opposing the development of country park periphery opine that country parks are important and invaluable natural assets and the “back garden” for all in high-density and urbanised city like Hong Kong. They are worried that once a precedent is set, development in other parts of country parks may follow, thereby causing irreversible damages to the environment. They are of the view that decisions to develop lands that fall within the country park boundary should not be taken lightly, unless there are no other feasible options.

22. The Task Force notes that the Government has commissioned the Hong Kong Housing Society to conduct ecological and technical studies on two areas on the periphery of country parks in Tai Lam and Shui Chuen O respectively, with a view to providing objective analysis for further rational deliberation by the community on this issue.

Other Land Supply Options

23. Apart from the above-mentioned options, there are relatively few discussions on other options during the PE, particularly those about conceptual options. The Task Force is therefore not in a position to make any major observations about the community's stance on these options at the moment.

Next Step

24. Set out above are the observations of the Task Force on those more frequently discussed options having regard to the qualitative views received during the PE in the past four months or so. These notwithstanding, the detailed report to be submitted should be referred to for the Task Force's full analysis and recommendations.

25. Upon concluding the PE on 26 September, the Task Force would take time to consolidate the tens of thousands of views collected from various channels and in different forms for qualitative and quantitative analyses. It remains the target of the Task Force to submit the detailed recommendation report to the Government on the overall land supply strategy and prioritisation of different land supply options by the end of this year.

26. Last but not least, I would like to express my appreciation to the Government for the support it has rendered to the Task Force.

Yours sincerely,

Wong Yuen-fai, Stanley
Chairman of the Task Force on Land Supply

24 September 2018