#### For information

#### **Legislative Council Panel on Development**

# Using Brownfield Clusters for Public Housing Development (Second Phase Review) and Other Developments

#### **PURPOSE**

This paper outlines the second-phase recommendations of shortlisting brownfield clusters for public housing development by Planning Department ("PlanD") and the follow-up work to be pursued by relevant departments. It also sets out brownfield clusters within the review area earmarked for other development studies/projects.

#### **BACKGROUND**

- 2. PlanD released the findings of "Study on Existing Profile and Operations of Brownfield Sites in the New Territories" ("the Brownfield Study") in November 2019. Development Bureau briefed the Panel on Development on the study findings and Government's follow-up actions on 26 November 2019<sup>1</sup>.
- 3. According to the Brownfield Study, around 803 hectares (ha) out of a total of 1 579 ha brownfield sites already fall within New Development Areas ("NDAs") projects being implemented or planned, or other known development projects by either Government or the private sector. After excluding these 803 ha, and the other 76 ha within conservation-related zonings, there remain about 700 ha of brownfield sites scattered around different parts of the New Territories. Among the 700 ha, 450 ha are categorised to have high or medium possible development potential, based on the consultant's broad-brush classification<sup>2</sup>. As announced in the 2019

Details are set out in LC Paper No. CB(1)160/19-20(06):- (https://www.legco.gov.hk/yr19-20/english/panels/dev/papers/dev20191126cb1-160-6-e.pdf).

The consultant made the broad-brush classification on the basis of three quantitative criteria, namely, the straight-line distance of brownfield sites to new towns and major highways, and the size of brownfield clusters. This classification is not a conclusive assessment on the development potential of the brownfield sites concerned, as it is subject to further review and technical assessment on individual sites.

Policy Address, PlanD has been reviewing, by phases, these 450 ha brownfield sites with a view to shortlisting suitable brownfield clusters for possible short to medium term public housing development.

4. The first phase review covering 160 ha of those brownfield sites closer to the existing infrastructures was completed in 2019. Eight brownfield clusters (which include 36 ha out of the above-mentioned 160 ha of brownfield sites) located in Yuen Long, Tuen Mun and Tai Po were shortlisted for higher density public housing development in the short to medium term<sup>3</sup>. Through amalgamation with adjoining land parcels of development potential, the study area is expanded to about 63 ha in total. It is roughly estimated at this stage that these eight brownfield clusters may produce **over 20 000 public housing units**. Civil Engineering and Development Department ("CEDD") has progressively commenced engineering feasibility studies ("EFSs") for these brownfield clusters from June 2020 onwards. It would take around 18 months to complete each EFS and decide on the engineering details and scale of public housing projects.

# USING BROWNFIELD CLUSTERS FOR PUBLIC HOUSING DEVELOPMENT (SECOND PHASE REVIEW) AND OTHER DEVELOPMENTS

- 5. Along the same direction as in the first-phase review, PlanD has completed the second-phase review on the remaining 290 ha of brownfield sites out of the 450 ha mentioned in paragraph 3 above. Based on the review
  - (a) 62 ha are being/will be covered by other studies, development under planning, or areas already zoned for development including:-
    - ➤ around 12 ha located in the vicinity of the Potential Development Area of San Tin/Lok Ma Chau ("STLMC") Development Node ("DN"), and have been included in the revised boundary of the on-going STLMC DN Study (please see paragraph 14 for details);
    - ➤ around 18 ha located in the vicinity of the proposed Northern Link ("NOL") station at Ngau Tam Mei, to be covered in a land use review study for Ngau Tam Mei area (please see paragraphs 15 to 16 for details); and

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Details are set out in LC Paper No. CB(1)463/19-20(01):- (https://www.legco.gov.hk/yr19-20/english/panels/dev/papers/devcb1-463-1-e.pdf).

- > some 32 ha already zoned for public/community facilities, roads, railway developments, or other development uses.
- (b) around 11 ha involving four brownfield clusters in Sheung Shui and Yuen Long are shortlisted as having potential for public housing development in the short to medium term. Further details are set out in paragraphs 7 to 13 below.
- (c) around 18 ha are situated in areas with statutory land use zonings supporting industrial, open storage and port back-up uses, and should be retained to accommodate brownfield operations accordingly.
- 6. Among the remaining 199 ha of brownfield sites without plans for housing, economic and other developments, about 131 ha are found to be subject to various development constraints that cannot be overcome in the short term, hence would not be shortlisted in the context of the current exercise which focuses on identification of sites suitable for delivering public housing units in the short to medium term. For instance, some of these sites carry topographical, geographical and physical difficulty to connect to district or local distributor roads. We will keep in view opportunities for unleashing development potential of these sites in the longer term. The residual 68 ha are widely scattered<sup>4</sup> and intermingled with developed land parcels (such as completed housing developments and community facilities), difficult to bring about a proper scale of public housing development.

### SHORTLISTED BROWNFIELD CLUSTERS FOR PUBLIC HOUSING DEVELOPMENTS

7. After examining various planning considerations, including land use compatibility, availability of transport, infrastructure and community facilities, environmental, urban design and amenity aspects, etc., four brownfield clusters in Sheung Shui and Yuen Long are shortlisted as having potential for public housing development in the short to medium term. These four clusters have a total size of 11 ha covering existing brownfield sites. Through amalgamation with adjoining land parcels, the proposed study areas are about 31 ha in total. It is roughly estimated at this stage that the above

<sup>&</sup>lt;sup>4</sup> Of these 68 ha of brownfield sites, about 62 ha (or 91%) are located within clusters of an area of less than 1 ha each.

four brownfield clusters would produce **over 10 000 public housing units**<sup>5</sup>. Subject to the outcome of the EFS for individual sites (which will take around 18 months) and the progress of relevant statutory procedures or construction works, the estimated flat yield and development lead time in relation to these clusters may be adjusted in future.

8. The locational distribution of these four clusters in broad terms are tabulated in **Table 1** below, and the follow-up work to be elaborated in paragraphs 9 to 13 below.

**Table 1: List of Brownfield Clusters Shortlisted for Public Housing Development** 

	Location of Brownfield Cluster	Proposed Study Area [Area of Brownfield Site Involved] (about)(ha) <sup>Note</sup>	Current Land Use Zoning	Plan
Sheung Shui				
1.	Wa Shan (North of Ng Tung River)	4 [2]	"Agriculture" and "Green Belt"	Plan 1
Yuen Long				
2.	Sha Kong Wai North (West of Tin Ying Road)	16 [5]	"Green Belt" and "Open Space (1)"	Plan 2
3.	Ping Kwai Road (Near Ping Pak Lane)	5 [2]	"Residential (Group B) 1"; "Government, Institution or Community"; "Open Space" and "Residential (Group A) 1"	Plan 2
4.	Kam Ho Road (South of Pat Heung Road)	6 [2]	"Agriculture" and "Green Belt"	Plan 2
	Total	~31 [~11]		

Note: Due to rounding, the sum of figures may differ slightly from the total.

This estimation is based on the maximum domestic plot ratio of 3.6 for rural areas as set out in the Hong Kong Planning Standards and Guidelines. The actual development parameters are subject to the EFSs to be conducted by CEDD. In view of the shortage of public housing supply, we would further explore the feasibility of raising the maximum domestic plot ratio to 6.5 for increasing the supply of public housing units by taking into full consideration various

increasing the supply of public housing units by taking into full consideration development constraints (such as transport infrastructural capacity) under the EFSs.

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#### **FOLLOW-UP WORK**

# (A) Engineering Feasibility Studies for Four Clusters Shortlisted for Public Housing Developments

9. CEDD aims to kick-start the EFSs on the four clusters shown in **Table 1** above progressively starting from the second quarter of this year to establish the development parameters (including the proposed site areas, development intensity, expected flat yield, etc.). Each shortlisted cluster is associated with different degrees of challenges posed by the capacity of such infrastructural facilities as transport, drainage, sewerage and water supply. At this stage, we expect to transform them into "spade-ready sites", through completing EFSs, rezoning, detailed design, land resumption, clearance, land decontamination and site formation works, and handing over of sites to the relevant authority for construction of public housing in about six years or less (versus at least eight years in general). We aim at compressing the time needed for production of certain housing units to within ten years approximately from the commencement of EFS to increase the supply in the short to medium term.

#### Government-led development

10. Adopting the same approach as under the first-phase review, as Government has now indicated its intention to resume and clear land within these four clusters for public housing development and would soon commence EFSs for this purpose, private lots falling within the scope of the EFSs would not be eligible for participation in the Land Sharing Pilot Scheme Moreover, Lands Department ("LandsD") would suspend the processing of any application for lease modification (including land exchange) made by owners of private lots within the boundaries of the sites being studied.

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The study area for each shortlisted brownfield cluster tabulated in paragraph 8 above would be established in a more refined manner upon CEDD's commencement of the EFSs. Government would confirm the exact boundaries of the future public housing sites (including the site boundary of the private lots or government land involved) according to the technical assessments and findings of the EFSs. The boundaries for such future public housing sites may not be exactly the same as those of the study areas under the EFSs.

<sup>&</sup>lt;sup>7</sup> The shortlisted brownfield clusters will be included as geographical limit under the Land Sharing Pilot Scheme. Site plans will be uploaded to the Scheme's website when available:(https://www.devb.gov.hk/en/issues in focus/land sharing pilot scheme/index.html).

Statutory procedures, public consultation and assisting affected households and operators

- 11. According to the findings of the Brownfield Study, it is estimated that the four clusters covering 11 ha of brownfield sites may involve some 39 operations, which mainly include general warehouse and storage, as well as facilities related to the construction industry. In addition, removal of structures scattering across the main parts of the shortlisted brownfield clusters (possibly including a small number of temporary domestic structures) may be unavoidable for permitting a more reasonable layout for public housing projects and optimising land development.
- 12. Upon completion of the EFS for each shortlisted brownfield cluster and confirmation of the feasibility of the proposed public housing development projects, development parameters, development boundaries and population size, etc., LandsD would conduct freezing surveys as soon as possible to identify and register the affected households and brownfield operators. Government would initiate the established procedures for rezoning, gazettal of works, and land resumption accordingly. For those affected households and brownfield operators, we would provide relevant compensation and rehousing arrangements in accordance with the enhanced ex-gratia measures announced in May 2018.
- 13. Under the statutory procedures, members of the public may make representations or comments during the stage to amend the outline zoning plan for the Town Planning Board's consideration. In addition, in the course of the rezoning procedures, Government departments would, on the basis of the specific recommendations of the EFSs, launch district consultation in a timely manner.

#### (B) STLMC DN Study

14. Government commenced a feasibility study on phase one development of the New Territories North covering STLMC DN in September 2019. In the course of study, the boundary of the STLMC DN has been extended to include, amongst others, about 12 ha of adjacent brownfield sites falling within the coverage of PlanD's second-phase review for comprehensive planning and development as part of the development node. In other words, this 12-ha forms part of the 320 ha in the STLMC DN being planned as a new development area supporting an estimated housing yield of 31 000 units together with economic and community facilities. Government will soon seek approval from the Finance Committee for funding the subsequent investigation and design of the STLMC DN.

#### (C) Land Use Review Study for Ngau Tam Mei Area

- 15. The proposed NOL alignment with the possible Ngau Tam Mei Station under a study recently commenced by the MTR Corporation Limited would present an opportunity for Government to review, in an integrated and wholesome manner, the wider area with a view to unleashing the potential development opportunities brought about by the NOL.
- CEDD and PlanD will commence later this year a land use review study for Ngau Tam Mei area to consider the appropriate way forward. The proposed study involves area around the proposed Ngau Tam Mei Station which covers around 18 ha of scattered brownfield sites, other squatter areas, and some active and fallow farmland, the existing land use zonings for which being very diverse, viz. "Comprehensive Development Area", "Residential (D)", "Industrial (D)", "Recreation" and "Green Belt". The study will ascertain the feasibility of comprehensive development of the area taking account of the development opportunities brought by NOL and propose broad land uses (which may include public and private housing as well as other supporting land uses), identify new or upgraded infrastructure that is required to support development, and recommend the necessary follow-up study and the possible implementation approach. In undertaking the land use review study, PlanD and CEDD will take into account any interface issues with the proposed NOL alignment, including the finalised layout of the proposed Ngau Tam Mei Station and associated railway facilities in enhancing the accessibility to the proposed station and the New Territories North Strategic Growth Area under planning. It is envisaged that the study will take about 24 months to complete, after which Government would be in a better position to decide how to proceed. Subject to the land use review study and purely assuming that the area would all be used for housing developments, it is roughly estimated that the above 18 ha of scattered brownfield sites may contribute to the production of a mix of over 6 000 public and private housing units in due course.

#### **CONCLUSION**

17. As mentioned in the 2021-22 Budget, there is a total of **over 860 ha of brownfield sites which can gradually be redeveloped for housing and other land uses, accounting for over 54% of brownfield sites in the New Territories**. These brownfield sites include 803 ha already covered by various NDAs and other government and private development projects under planning as previously announced (paragraph 3 above), 36 ha falling within the first batch of eight brownfield clusters shortlisted for public housing development (paragraph 4 above), 12 ha incorporated in the revised boundary

of the STLMC DN Study (paragraph 5 above), and the latest 11 ha in the four brownfield clusters now shortlisted for public housing development (paragraph 7 above). As studies concerning the NOL and the related land use review are taken forward, some brownfield sites in Ngau Tam Mei (paragraph 16 above) are expected to be redeveloped for gainful uses in due course.

- 18. While over half of brownfield sites would be redeveloped for housing or other land uses in the next decade or so, we acknowledge that brownfield sites are hosting operations supporting different industries of our economy at present. It is unrealistic to expect an outright eradication of brownfield sites in the New Territories as they are a source of space for industrial or storage operations that cannot easily find affordable or compatible premises at developed areas. Brownfield sites permissible under the planning regime may continue to be used for open-air operations. To this end, the Town Planning Board promulgated the revised Guidelines last year to channel relevant industrial or storage activities to appropriate locations. On the other hand, we will continue to strengthen enforcement actions under the planning and land regimes against unauthorised brownfield operations.
- 19. Members are invited to note the content of this paper. We will keep the Panel on Development appraised of progress with the follow up action as set out in the above sections.

Development Bureau Planning Department Civil Engineering and Development Department March 2021

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<sup>&</sup>lt;sup>8</sup> Guidelines (TPB PG-No. 13F) for Application for Open Storage and Port Back-up Uses under Section 16 of the Town Planning Ordinance (https://www.info.gov.hk/tpb/en/forms/guideline.html).



