

Commencement notice for Land (Compulsory Sale for Redevelopment) (Amendment) Ordinance 2024 gazetted

The Government published in the Gazette today (October 10) the Land (Compulsory Sale for Redevelopment) (Amendment) Ordinance 2024 (Commencement) Notice (the Commencement Notice), which specifies that the Land (Compulsory Sale for Redevelopment) (Amendment) Ordinance 2024 (the Amendment Ordinance) will come into operation on December 6, 2024. The Commencement Notice will be tabled at the Legislative Council (LegCo) for negative vetting on October 16, 2024.

To promote private companies to redevelop aged and dilapidated private buildings in Hong Kong, the LegCo passed the Amendment Ordinance on July 18, 2024, to update and streamline the statutory compulsory sale regime under the Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545) (LCSRO) in four directions, namely (1) lowering the compulsory sale application thresholds; (2) facilitating multiple adjoining-lot compulsory sale applications; (3) streamlining the legal process of compulsory sale regime; and (4) enhancing support for affected minority owners.

A spokesperson for the Development Bureau (DEVB) said, "The Amendment Ordinance aims to expedite the consolidation of private property interests so as to facilitate the redevelopment of old and dilapidated buildings, thereby tackling the safety risk of those buildings and improving people's livelihood. At the same time, legal protection of the interests of minority owners has been enhanced."

In addition to the statutory safeguards, the Dedicated Office of Support Services for Minority Owners under Compulsory Sale (DOSS) set up under the DEVB and the Support Service Centre for Minority Owners under Compulsory Sale (SMOCS), a wholly owned subsidiary set up by the Urban Renewal Authority, both came into operation on August 27, 2024. The SMOCS, which is accountable to the DEVB and supervised by the DOSS, provides one-stop enhanced support services to minority owners at various stages of the compulsory sale application process, so as to help them understand their statutory rights and obtain professional advice. Public education activities and publicity programmes are being rolled out to enhance public understanding of the LCSRO and the services of the SMOCS.

To help different stakeholders (in particular minority owners) to better understand the requirements of the law, as well as the content and practical application of the provisions of the amended LCSRO, the DEVB will soon publish a guidance note to explain the main provisions of the amended LCSRO in plain language with illustrative examples to serve as a practical reference for the industry, professionals and the general public.

The DEVB will also in due course seek the LegCo's approval to provide additional manpower resources to the Lands Tribunal to cope with the increased workload arising from the implementation of the Amendment Ordinance, and to set up a loan guarantee scheme for the Government to provide guarantee to assist eligible minority owners in obtaining bank loans to address their cash flow problems arising from the engagement of legal and other professionals to deal with compulsory sale litigation.