

# In-situ land exchange to enable waterfront development at Quarry Bay by private lot owner

The Development Bureau (DEVB) announced today (July 5) that the Government will seek Executive Council (ExCo) approval for an in-situ land exchange for waterfront development in place of the industrial building (IB) under development on two private lots at Hoi Yu Street in Quarry Bay (IL 8590 RP and IL 8723 RP), subject to the development proposal obtaining endorsement by the Town Planning Board (TPB).

A spokesman for the DEVB said, "The community has been expressing the wish that the IB should not proceed at the harbourfront and instead be replaced by a development that is more compatible with the surrounding environment. We are pleased that the lot owner has responded positively with an alternative proposal involving a waterfront leisure, tourism and commercial development providing retail, hotel and office facilities, to be developed on a strip of land straddling a portion of the private lots and extending into adjoining government land at the prominent waterfront location. That strip of land is zoned 'Other Specified Uses' annotated 'Cultural and/or Commercial, Leisure and Tourism Related Uses' on the Quarry Bay Outline Zoning Plan No. S/H21/28, with the stipulation that any proposal for development on it has to be submitted to the TPB for approval.

"Having worked with the lot owner closely to explore the idea in the past few months and in the interest of upholding transparency, the Government considers now is the opportune time to share the latest progress with the public."

The development proposal is subject to planning approval and land administration procedures. To take things forward, the lot owner has engaged consultants to undertake detailed design and technical studies for the proposed development in preparation for a consultation with the Eastern District Council (EDC) and the Harbourfront Commission (HC), as well as the submission to be made to the TPB later this year.

The lot owner's latest proposal comprises several tower blocks, the height of which will take into account the building height requirement for the area, hence representing a significant reduction from the 25 storeys for the original IB. The total gross floor area of the proposed development will be 37 155 square metres (which is comparable to the original permitted gross floor area of 37 161 sq m for the IB) and will be mainly for retail, hotel, leisure and office uses. Taking advantage of the harbourfront setting, the facilities will help turn the area into a leisure and tourism node. A 10-metre-wide promenade will also be maintained along the Hoi Yu Street waterfront for public enjoyment, and pedestrian access will be provided to enhance the connectivity to and vibrancy of the waterfront. The lot owner's consultants are preparing further details of the development scheme for

submission to the EDC sub-committee and the HC in the near future.

Taking into account the gross floor area of the proposed development and the current height restriction of the area, the development will need to take up additional government land in addition to the land owned by the lot owner. This will be effected by an in-situ land exchange subject to payment of full market premium that requires the ExCo's approval following the TPB's endorsement. According to the initial estimate, the lot owner will surrender the two private lots with total area of 2 477 sq m in return for a re-grant of 8 532 sq m of land from the Government.

By way of background, the two private lots are permitted for industrial and/or godown purposes and a set of building plans for an IB development was approved in 2001. It was not until April 2003 that the lots and adjacent government land were rezoned to "Other Specified Uses" annotated "Cultural and/or Commercial, Leisure and Tourism Related Uses" and "Open Space". The proposed IB development on the private lots is not in contravention of any planning and building regulations or lease conditions. Construction of the IB commenced around mid-2017. The DEVB and the lot owner have since been working closely to explore the idea of an alternative proposal that can better address the local aspirations and achieve the planning intent of the "Other Specified Uses" zone.