

# LCQ1: Hung Shui Kiu/Ha Tsuen New Development Area

Following is a question by Dr the Hon Junius Ho and a written reply by the Secretary for Development, Ms Bernadette Linn, in the Legislative Council today (May 8):

Question:

Regarding the project costs for the Hung Shui Kiu/Ha Tsuen New Development Area (NDA), will the Government inform this Council:

(1) of the total expenditure of development works projects of various phases under the NDA; and

(2) in respect of the total expenditure of the Second Phase development works of the NDA, of the average development cost per square foot of the 263 hectares of land involved in the development of that phase?

Reply:

President,

The Hung Shui Kiu/Ha Tsuen New Development Area (NDA) is situated in the west of the Northern Metropolis (NM), which is positioned as the High-end Professional Services and Logistics Hub of the NM covering also Yuen Long, Tin Shui Wai, Yuen Long South New Development Area, and the Lau Fau Shan, Tsim Bei Tsui and Pak Nai (Lau Fau Shan) area. While the NDA will provide a large number of public and private housing units to address the housing shortage problem, the NDA will also offer commercial and industry sites to develop financial, professional, logistics services, etc, for economic development and job creation.

(1) The NDA is being implemented in three phases, viz. the First Phase development, the Second Phase development and the Remaining Phase development.

The Government secured funding approval totalling \$1,630.2 million in estimate from the Finance Committee (FC) of the Legislative Council (LegCo) on June 26, 2020 for the construction works for the First Phase development. The works involve relevant site clearance and formation to supply land for the development of multi-storey buildings (MSBs) for modern industries, dedicated rehousing estates (DREs), etc, as well as engineering infrastructure works. The MSB sites concerned have been included in the 2024-25 Land Sale Programme, and the DREs will be completed for intake progressively starting from the fourth quarter of this year.

The Government is seeking funding approval from the FC of LegCo for the

construction works for the Second Phase development, which comprises site formation and engineering infrastructure works with project estimate of \$25,946.8 million, and the first stage of Phase 1 District Cooling System (DCS) involving \$3,216.3 million, totalling \$29,163.1 million in estimate. The proposed works cover site clearance and formation to supply land for public and private housing, industrial and commercial facilities, government, institution or community facilities, open space, etc, in addition to road and engineering infrastructure works and pipe laying works connecting to the DCS.

As for the Remaining Phase development of the NDA, as part of the area has been incorporated into the land use review study for Lau Fau Shan as a whole, the relevant project design and estimate are subject to confirmation in the next stage of investigation study for Lau Fau Shan.

(2) The development area of the Second Phase development of the NDA is about 263 hectares. Based on the abovementioned project estimate for site formation and engineering infrastructure works, which totals \$25,946.8 million, the average development cost is \$9,900 per square metre. With reference to other projects of similar scale and nature (i.e. mainly for site formation and engineering infrastructure works) in the past few years, the average cost is about \$9,600 to \$16,500 per square metre. We consider the estimate for this project reasonable. We consulted the Public Works Subcommittee (PWSC) of the FC on April 10 this year on the funding application for the Second Phase development of the NDA, and the PWSC supported the submission of the funding application to the FC for consideration.