

# LCQ13: Land resumption in and development of the Northern Metropolis

Following is a question by the Hon Chan Yuet-ming and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (April 6):

Question:

Regarding the land resumption in and development of the Northern Metropolis, will the Government inform this Council:

(1) whether it has plans to invoke the Lands Resumption Ordinance (Cap. 124) to resume lands for the development of the Northern Metropolis; if so, of the location, area and compensation arrangements in respect of the lands concerned;

(2) whether the lands resumed by virtue of Cap. 124 as mentioned in (1) will be included in the Land Sale Programme; if so, of the details, and whether there were any precedents; if so, of the following information in respect of such lands in the past 10 years: year of land resumption, year of sale to developer, land premium, location, lot number and area (set out in a table); and

(3) whether it will introduce policies for the Northern Metropolis whereby village land will be developed jointly by land stakeholders and developers, and revise the New Territories Small House Policy so that small buildings can be constructed by combining the small house concessionary rights (i.e. the entitlement of a New Territories male indigenous villager over 18 years old to one concessionary grant during his lifetime to build one small house), with a view to optimising the use of valuable land resources, addressing the housing problems of villagers, and allowing villagers to share the benefits of land development; if so, of the details; if not, the reasons for that?

Reply:

President,

The Chief Executive announced the Northern Metropolis Development Strategy (the Development Strategy) in the Policy Address in October last year. The Northern Metropolis is a conceptual strategic plan which generally covers two district administration areas including Yuen Long District and North District, with an area of about 300 square kilometres. Among others, it includes established new towns namely Tin Shui Wai, Yuen Long and Fanling/Sheung Shui and their neighbouring rural areas, as well as New Development Areas (NDAs) in different planning and development stages. On top of the planning and development projects which are underway, the Development Strategy has put forward some new land development projects, for which detailed studies are required in order to ascertain the development

boundaries and land use proposals. In this connection, the Government is actively following up.

My replies to the three parts of the question are as follows:

(1) The Government has intensified its efforts to expedite development projects in recent years. The extent and pace of resumption of private land for the developments of NDAs, public housing and other public uses by invoking the Lands Resumption Ordinance (Cap. 124) and other applicable ordinances have increased significantly. Within the three years between 2019-20 to 2021-22, around 120 hectares of private land in the New Territories have been resumed for development, most of which are located in the Yuen Long District and North District (including 68 hectares resumed in December 2019 for the First Phase development of the Kwu Tung North and Fanling North NDAs and 12 hectares resumed in October 2020 for the First Phase development of Hung Shui Kiu/Ha Tsuen NDA). We expect to resume up to 700 hectares of land in the coming few years for various development projects, and most of such land will also be in the Yuen Long District and North District (including some 150 hectares of land for the Yuen Long South Development Area, about 110 hectares for the Remaining Phase development of the Kwu Tung North and Fanling North NDAs, and about 310 hectares for the remaining phases of the Hung Shui Kiu/Ha Tsuen NDA, and a number of public housing projects).

The above-mentioned figures have yet to include the developments in New Territories North (i.e. the San Tin/Lok Ma Chau Development Node, the New Territories North New Town and Man Kam To) and the new land development proposals under the Development Strategy. As further studies are required for these projects, specific details including the planning uses (for instance which of them are public purposes for which statutory power can be invoked to resume land), implementation arrangements, scopes of land resumption etc. are to be confirmed.

When invoking statutory powers to resume private land, the Government is required to provide compensation (generally known as "statutory compensation") to landowners and other persons with interests in the land in accordance with the relevant laws (e.g. Lands Resumption Ordinance (Cap. 124)). The relevant ordinances set out the entitlements to compensation, the procedures involved, and the basis and principles for assessing the compensation, and empower the Lands Tribunal to give final determination concerning the amount of compensation. Apart from statutory compensation, the Government has in place an ex-gratia compensation system as an alternative means to deal with land compensation through a simplified mechanism. If the persons concerned do not accept the ex-gratia compensation offers, they can submit statutory compensation claims. The professional fees reasonably incurred by claimants in connection with the claims can be reimbursed by the Government after vetting.

(2) When invoking statutory power to resume private land, the Government first has to establish that the purpose of land resumption is for implementing a public purpose meeting the requirement in the relevant laws. If the relevant public purpose is for implementing an NDA, the Government

will first resume and clear all the private land planned for developments in the NDA, and carry out site formation works and provide infrastructure. Thereafter, the Government will allocate the formed land for various purposes, including disposal for private developments. According to the information in the past 10 years, about 8 510 square metres of private land resumed in December 2019 under the First Phase development of the Kwu Tung North NDA, together with other government land, were granted for private property development through open tender in 2021. The details are as follows:

Location	Area 25, Kwu Tung	Area 24, Kwu Tung
Lot No.	Fanling Sheung Shui Town Lot No. 279	Fanling Sheung Shui Town Lot No. 278
Site Area (resumed private land together with adjacent government land)	18 567 sq m	7 624 sq m
Premium	\$8.614 billion	\$4.185 billion
Date of Grant	April 27, 2021	July 28, 2021

(3) With regard to the three NDA projects (i.e. Kwu Tung North, Fanling North and Hung Shui Kiu/Ha Tsuen NDAs) which have entered the implementation and land resumption stages, the Government has adopted the Enhanced Conventional New Town Approach for implementation. This means that prior to land resumption, the Government may allow in-situ land exchange applications from private land owners of sites earmarked for private developments, subject to their meeting of the criteria and conditions as specified by the Government.

So far, two land exchange applications falling within the First Phase development of the Kwu Tung North and Fanling North NDAs, which involve about two hectares of land, were executed with construction underway. Also, the Government promulgated on February 16 this year the arrangement for land exchange applications for the Remaining Phase of the Kwu Tung North and Fanling North NDAs, and on March 31 the arrangement for charging land premium at standard rates for land exchange applications in NDAs to provide certainty in land premium with a view to facilitating timely conclusion of more land exchange applications. The Government believes the Enhanced Conventional New Town Approach will be a good reference for formulating the implementation model of other NDAs being planned in the Northern Metropolis.

According to the prevailing Small House Policy, a small house applicant may apply to develop a small house on his own private land or apply for government land for the purpose. The house must not contain more than three storeys and each storey must not exceed a maximum roofed-over area of 700 square feet. Such a house is exempted from the Buildings Ordinance. The proposal of developing "ding" buildings will significantly alter the Small House Policy. Furthermore, from the land use and development perspectives, land originally planned for low-rise and low-density development may not be suitable for high-rise and high-density development. The feasibility of any proposal to convert land uses (including the spatial planning, traffic,

environment, sewerage aspects, etc.) must be established by technical assessments.