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of Surveyors
香港測量師學會



The Royal Institution
of Chartered Surveyors
Hong Kong Branch
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REPORT

of the

Joint HKIS and RICS (HK)

WORKING GROUP

on the

METROPLAN

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1. Introduction

- 1.1 The Metroplan, being the blueprint for the programme of simultaneous development and urban renewal of the metropolitan area of Hong Kong in the next two decades, will have far-reaching implications on the economic development of the territory, as the local economy features strong emphasis on land development and property investment. Although the area within the curtilage is comparatively small, approximately two-thirds of the population will live and work in it, and be directly affected by the Metroplan. Surveyors, as key players in the field of real estate, are keen to contribute to the formulation of the Metroplan.
- 1.2 A joint working group of the HKIS and RICS (HK) was set up to study the consultative documents: "Metroplan - Foundations and Framework" (referred to herein as 'the consultative document') and "Metroplan - Initial Options". The group members have met on three occasions and attended a meeting with the Planning Department. An open forum on the Metroplan was also held on 24th April, 1990 to gather views from members of a wider spectrum.
- 1.3 The Metroplan has been studied primarily from the view points of land economics and land administration. Due to the short time available for study and research, and in some cases coupled with the lack of background information, much of the work has been limited to crude analyses of the facts and figures presented in the consultative document. Certain relevant analyses have been included in the appendices for information and are intended to highlight the reasonableness of the assumptions rather than as a vetting of the exact quantum.
- 1.4 The group has refrained from commenting on issues which are beyond the scope of the expertise of surveyors such as: the curtilage of the Metroplan area - as to why Tsuen Wan was included but Tseung Kwan O was not; where and whether certain reclamations should or should not take place; and, transportation routes and modes - as to whether the most appropriate alignments and interchanges have been adopted. In particular, the group assumes that the transportation plans will function efficiently as envisaged to facilitate the implementation of the zonings and proposals of the Metroplan.
- 1.5 The group has not given explicit replies to the questions raised in the consultative document, nor has it offered a suggestion as to the choice of the strategies. Nevertheless, it is hoped the recommendations made herein will give more food for thought.
- 1.6 Summary of the group's recommendations are contained in paragraph 2 with detailed comments set out in the subsequent paragraphs. Grey areas have also been identified.

- 1.7 Although it is assumed that the Metroplan was formulated having regard to data of the Non-metro area and development strategies of the same, in the absence of such information, the group's comments cannot be considered to be comprehensive.

2. Executive Summary

- 2.1 It is recommended that the Metro area shall be planned to accommodate a higher population figure than 4.2 million, allowing for its natural growth for obvious economic reasons. (Paragraph 3)
- 2.2 An extended programme, substantially longer than 20 years, shall be adopted to ensure the success of implementation. (Paragraph 4)
- 2.3 Adoption of the current New Town Planning Standards which may be too generous for the Metro area shall be reviewed and preferably be put to an open debate. (Paragraph 5)
- 2.4 The strategy of planning a larger number of small secondary business centres is preferred. (Paragraph 9)
- 2.5 More tourist attractions ought to be established to boost the tourist industry by enticing tourists to stay longer. The mere addition of hotel rooms will not offer substantial improvement. (Paragraph 10)
- 2.6 Upon the implementation of the proposals in the Metroplan, the planning mechanism shall have unambiguous guidelines from the top and an attitude of flexible monitoring at project level to cater market forces. (Paragraph 11)
- 2.7 Both the over-provision of subsidized housing and insufficient provision of private sector quality accommodation in Metro area should be avoided. (Paragraph 12)
- 2.8 Interests of the private sector ought to be committed early in the implementation process by careful packaging. (Paragraph 13)
- 2.9 One of the main proposals of the Metroplan is 'thinning out'. 'Thinning out' by resumption and clearance generates more problems than it sets out to solve. (Paragraph 14)
- 2.10 Reclamation and local area planning should aim to minimize the fill materials required with conscious planning for the use of underground space in new development areas. (Paragraph 15)
- 2.11 Fairness in the pursuit of density control planning is paramount; a two tier system is recommended. (Paragraph 16)
- 2.12 Development control with plot ratio being expressed in terms of saleable area will reduce monotony in design and enhance the townscape. (Paragraph 17)

2.13 Legislative amendments to the Town Planning Ordinance, Building (Planning) Regulations and Partition Ordinance are recommended to help facilitate the implementation of both the Metroplan and the above proposals. (Paragraphs 18, 19 & 20)

Section A: General and Macro Aspects

The Initial Assumptions

3. Population

- 3.1 The Metroplan recommends an ultimate population at 4.2 million which is the same size as the current figure, and also the same as that projected for 2001. During the intervening years, there will be fluctuations in between the figures of 4.04 to 4.2 millions. To target a zero growth, two issues are worthy of further consideration.
- 3.2 First, as to how people currently living in the Non-metro area could be discouraged to move into the Metro area and more importantly, as to how the natural growth within the Metro area could be siphoned out so as to keep the population at the target level. Contingency plans should be prepared to accommodate the possible overspill. A mere five percent growth would result in an overspill of 210,000 persons which would require a new town of the size of Tai Po to accommodate.
- 3.3 Secondly, the 4.2 million in 1988 will be very different from that in 2011. A static population resembles a declining one; they both tend to be aging. The needs of the 4.2 million in the Metro area will change gradually as time goes by in line with the expected demographic change. In twenty years, the demographic composition would be so different that the Metroplan provisions, however flexible, will find it very difficult if not incapable of catering for the changing needs. Some provisions could become redundant whilst others inadequate. From economic view points, the situation would be a waste of resources.
- 3.4 It is recommended, even at the expense of compromising certain planning standards, the Metro area should be planned to accommodate a portion of, if not the entire natural growth.
- 3.5 The group has attempted to reconcile population figures and projections from the consultative document with those projected by the Territory Development Department. The result does not show matching figures. It is not possible to ascertain the relative accuracy of either set of figures, but the group merely wishes to point out the apparent discrepancy. The analysis is at Appendix I. This also indicates the likelihood of an underestimate of population growth that would lead to inadvertent planning resulting in a deficiency in housing supply.

4. **Development Programme**

- 4.1 The Metroplan is intended to be implemented over a period of twenty years, the first ten years of which will overlap with the \$127 billion Port and Airport Development (PADS). To avoid the possible overheating of the economy and alleviate the strain on financial and human resources, it is considered imperative that a more relaxed programme of implementation be planned and adopted. Since the Government's resources to finance public works in Metro area will likely depend on revenue from land sales and modification premia, an analysis of the annual equivalent of assumed revenue over the implementation period of twenty years has been carried out to ascertain if the assumptions are reasonable. The analysis is set out at Appendix II. It shows that in each of the twenty years, a buoyant economy has to exist to ensure the property market generates land revenue of \$10 to 12 billion from the Metro area alone, compared with estimated total annual revenue from land premia for the prosperous years of 1987/1988 and 1988/89 at about \$7 billion for the whole of the territory.
- 4.2 As it is highly unlikely that a buoyant market would continue for two decades without experiencing cyclical fluctuations, it is strongly recommended that the assumed twenty year programme be significantly extended so that the annual figures will be more realistic. Once the implementation period for the Metroplan is extended, the size of the ultimate population in the Metro area and the overspill will need to be reviewed in conjunction with other consequential changes.
- 4.3 The Metroplan entails the 'thinning' of the population and industrial concerns 'out' of the Metro area. It is of paramount importance for a programme to be drawn up to ensure that alternative accommodations in both the Metro and Non-metro areas will be made available to siphon out the population and industrial concerns before the commencement of the 'thinning-out', to minimize hardship and prevent unnecessary escalation of property prices resulting from the interim reduction of the overall stock. That is to say, a certain extent of development should precede urban clearance.

5. **Availability of Financial Resources**

Page 19 of the consultative document states that currently public sector expenditure absorbs about 16% of the Gross Domestic Product with capital works accounting for 4% and it is proposed that for the purpose of the Metroplan the same parameters will continue to apply as for PADS. It is unclear as to whether both the Metroplan and PADS capital works together with other public works items can be covered by the same 4% and if so, whether funds will be sufficient to run the two huge schemes simultaneously. In addition to government funding reclamation, infrastruc-

tural works and government building constructions, the Urban and Regional Councils will have to ensure that funds are available to develop parks and other community provisions.

6. Planning Standards

- 6.1 The Metroplan has adopted the New Town Planning Standards as far as practical. The selection of the planning standard is fundamental and ought to be a conscious and careful choice having regard to the needs and constraints of the situation. The nature and amenity requirements of the central business district are different from those of a primarily residential new town.
- 6.2 Page 20 of the consultative document states that theoretically there is a current shortfall of 170 ha of district open space. This 170 ha is an enormous quantum considering the whole of the Kai Tak Airport site and reclaimed land are quoted to be around 230 ha on page 25. Wouldn't the provision of district open space at the 'New Town Planning Standards' be over extravagant? The existing situation is congested but not intolerable and the existing infrastructure is also capable of meeting the needs. An exaggerated improvement of the standards will channel considerable portion of the available resources from economic productive investments towards leisure provisions. The consequence is likely to be inflationary.
- 6.3 It is feared that the highly vibrant characteristics and the intense commercial atmosphere of the central business district becomes diluted with both the application of very generous standard of open space provisions and the 'thinning out' of existing activities.
- 6.4 A justification for the adoption of lower planning standards to those for the New Towns is the improved means of transportation both within the Metro area and with the Non-metro area. Community provisions and parks become relatively more accessible.
- 6.5 It is recommended that the adoption of the New Town Planning Standards be reviewed and preferably be subject to an open debate with the costs and benefits appraised. The community should also be given an opportunity to consider other revised or compromised standards.
- 6.6 It is also to be questioned why PSPS/HOS and high density private residential developments should follow different standards, being 1470 and 1850 persons per ha for the year 2011 respectively (Page 19 of the consultative document). The latter is 25% higher than the former. They should be the same; they shouldn't be different.

7. Clarification of Facts and Figures

7.1 Obsolete and Underutilized Government Land Uses

On page 25 of the consultative document, it states that "overall, it is estimated that major sites in this category could produce about 380 ha gross". These would have included the site of Kai Tak Airport and the associated reclamation which is quoted to have an area of 230 ha earlier in the paragraph. However, in the table termed "The overall picture" on page 26, there appears to be certain inconsistency, viz,

| | |
|---------------------------------|--------|
| Under-utilized government sites | 300 ha |
| Kai Tak Airport | 230 ha |
| | ----- |
| | 530 ha |

7.2 Assumptions for Residential Density Standards and Broad Future Land Use needs

There is a considerable difference between the density standards assumed for the different forms of housing. The population density assumptions stated on page 19 of the consultative document are extracted below for reference:

Population density (Persons/gross ha)

| | 1986 | 2001 | 2011 |
|------------------------|------|------|------|
| Public rental | 2360 | 2030 | 1850 |
| HOS/PSPS | 1830 | 1680 | 1470 |
| High density private | 2500 | 2040 | 1850 |
| Medium density private | 820 | 670 | 610 |

It is not clear as to why HOS/PSPS should be built to significantly superior standards. This point was also discussed at paragraph 6.5 above.

In Table 3 on page 20 of the consultative document, the land requirement for the different categories of housing have been stated as:

| <u>Broad land use</u> | <u>Unit</u> | <u>Requirement</u> |
|-----------------------|-------------|--------------------|
| Public rental housing | gross ha | 100 |
| HOS/PSPS | gross ha | 430 |
| Private | gross ha | 130 |

Again, it is not clear as to why an exceptionally large land requirement was estimated in respect of HOS/PSPS at 430 ha, 65% of the total. Together with the required 100 ha for public rental housing, subsidized housing in both forms become 80% of the total. It is worth noting that current proportion is about 56% public (45,000 units) and 44% private (35,000 units). The projected land provision in Table 3, if implemented, will seriously alter the present balance and curtail private sector housing development.

7.3 Decrease in Employment Level in the Manufacturing Industries in Metro Area

Page 18 of the consultative document adopts an initial assumption that employment in the manufacturing industries in Metro area will drop 40 to 65% by 2011. Such a range assumed is considered too wide and the group feels that, based on an assumption of such a disparity, planning work can hardly be pursued with confidence.

Implementation of the Proposed Plan

8. Polarization of Residential Property Values

Following the 'thinning' of population 'out' of the currently congested Metro area by lowering the density, a decrease in the total stock of residential premises and a less crowded Metro area would result. This decrease in housing supply coupled with improved living environment would cause an escalation in rental and capital values of residential properties which might lead to a wide difference in property prices between the Metro and Non-metro areas and a polarization of property values might emerge. This is likely to be so because more jobs for the higher income bracket are to be created within the Metro area. This phenomenon is undesirable from a social view point.

9. Location of Secondary Business Centres

- 9.1 The three development options offer two alternatives for the development of secondary business centres - either in the form of a few large secondary business centres or a larger number of smaller centres spreading over the Metro area. Considering the traffic that may be generated, the provision of smaller secondary business centres spreading throughout the Metro area along the traffic nodal points, the MTR line or bus network, rather than a few larger secondary office centres is preferred. There are also savings in the costs of commuting. The retail and servicing establishments, restaurants, etc., which serve both the office workers at daytime and the nearby residents in the evening would become attractive investment opportunities.

9.2 In the broad land use patterns proposed, the Kai Tak Airport site has been earmarked for either commercial or industrial uses. Considering the central location of the site and the nature of the adjoining areas, it is recommended that the site be utilized for commercial cum residential uses. Future industrial developments would preferably be located at the reclamation areas to the west of the Harbour, the PADS area or Tuen Mun, all in the vicinity of or in close proximity to the new port and airport.

10. Tourism

10.1 The Metroplan recognizes the unique attraction of Hong Kong and its role as a major gateway to China will continue to boost the tourist trade. A mere addition of hotel rooms and convention facilities as emphasized in the consultative document would however be insufficient and unimaginative. If the industry does not flourish and expand, more hotel rooms will only result in lower overall occupancy. The consultative document does state that tourist attractions should be built but no details have been given.

10.2 On average, for the past ten years tourists spent 3.4 to 3.6 days in Hong Kong. The Metroplan should target to co-ordinate developments of tourist attraction to boost the number of tourists as well as to entice them to stay longer. This could be by way of reserving land within the Metro area for tourism related uses such as a venue for holding festivals and possibly a high-tech games park. To enable well co-ordinated tourist oriented developments to be implemented, it is recommended that the Metroplan should have clear statements for the framework of tourist-oriented developments in the Metro area. The group, however, does not rule out such developments to be established in the Non-metro area.

11. Flexibility in Planning Administration

11.1 It is envisaged that the Metroplan will form the framework for the drawing up of structure plans under which the lower tier district plans will be prepared. Since the needs, the constraints and the opportunities will change over the years, the control of developments in the Metro area should be flexible and the standards should be reviewed from time to time. It is recommended that the Metroplan in its final version as a policy statement should be as clear cut as possible, depicting unambiguously resources planning and control.

- 11.2 The example of a wide assumption on job reduction in the manufacturing sector in Metro area as quoted on page 18 of the consultative document and discussed in paragraph 7.3 above can be regarded as a loose criterion which may lead to very different planning decisions. Flexibility in the implementation of the Metroplan could be by way of encouraging more flexibility at the district planning level so that developments could be monitored to cater changing market conditions. The activities at district planning administration level which will have been flexible and responsive to market conditions will be good reference materials for the periodic review of the Metroplan.
- 11.3 The reverse of this scenario is a very flexible Metroplan capable of ambiguous interpretations together with very inflexible district planning administration : this will give rise to a situation whereby unintended interpretations of the Metroplan rigidly enforced will bring about unwanted developments and wasteful utilization of resources.
- 11.4 Allocating various areas of suitable sizes in different districts which will come on stream in the later part of the implementation programme for "Undetermined" uses also gives considerable flexibility as planning decisions are deferred so that demands in subsequent years can be accurately measured and planned for at a later date.

12. Land for Residential Use

- 12.1 Page 20 of the consultative document reveals that of the 660 gross ha set aside for housing in the Metro area, 530 gross ha have been earmarked for subsidized public rental and HOS/PSPS housing, leaving 130 gross ha, a meagre 20% of the total, for private housing. This uneven allocation is very inappropriate, especially in view of the likely higher demand of private housing in the Metro area as discussed in paragraph 8. An inadequate supply of land for private residential developments would exacerbate the shortfall in supply of private housing in the Metro area and further reinforcing the polarization of residential property values between the Metro and Non-metro areas.
- 12.2 The consultative document also appears to have neglected the allocation of land required for high quality lower density housing for office workers. This type of housing is anticipated to be of growing demand when the Metro area undergoes a new era of extensive office developments where the number of white collars is expected to increase by more than 50% from 0.39 million in 1986 to 0.60 million in 2011 (page 7 of the consultative document) requiring an addition of 100,000 to 200,000 apartments.

Section B: Land Administration and Development

13. Interest and Commitment of Private Sectors

13.1 The success of the implementation of the proposals in the Metroplan would hinge on the degree of the private sector's interest and commitment to take part. Private firms are profit oriented and schemes attractive to private firms requiring them to participate as early as possible would be vital. Packages requiring the developers to undertake reclamation and infrastructural works as a condition for the grant of land is one way that could commit private interests in the very early stage of the implementation of the Metroplan. Similar packages have been offered in the past in the development of Sha Tin and Tuen Mun new towns.

13.2 Comprehensive redevelopment projects in the Metro area would be undertaken mainly by large private developers in collaboration with LDC, and as a result, small developers who are making significant contributions may be driven out of the market. This could have adverse economic consequences if opportunities for smaller scale redevelopments which normally help to moderate market fluctuations are tapered. In drawing up action plans for urban renewal, it is important that small developers and owners be given a fair chance to participate in the redevelopment process. The group's recommendation in relation to the Partition Ordinance in paragraph 19 hereof is also relevant.

14. 'Thinning Out' and Improvement of Environmental Standards

14.1 There are three routine ways to 'thin' the population and industrial concerns 'out' of the congested Metro area:

- a) by resumption and clearance;
 - b) by zoning for less dense developments under the Town Planning Ordinance;
- and
- c) by comprehensive redevelopment.

The group's comments on these three methods are given below.

14.2 By Resumption and Clearance

14.2.1 In the absence of background information, it is not possible to verify the validity of the assumed resumption costs on page 41 of the consultative document. It is also unclear as to whether these resumption costs include those arising out of comprehensive redevelopment projects to be undertaken by LDC. It is however recommended that as little land as possible is to be resumed to minimize the number of owners and occupants being affected. In the case of resumption of business and industrial undertakings, the estimates of resumption costs should include those for business losses and trade disturbance. As it is difficult to ascertain business losses for general estimate purposes, the group recommends that in cases where it is envisaged that businesses will be extinguished by resumption, more generous budgetary assumptions have to be adopted.

14.2.2 The social consequences of resuming and clearing an industrial building are different from and more complicated than those of a residential scenario. The social implications such as local unemployment, disruptions to family ties, etc, resulting from massive loss of jobs in the existing job centres should be attended to. This is an important issue to be addressed from a social viewpoint.

14.2.3 A policy to encourage the renovation of the existing building stock should be established. The economic benefits from extended building lives will be enormous. It is envisaged that a workable solution will involve both the incorporated owners and the professional estate managers under proper guidance from the Government. The proposed registration of professional estate management companies and the wholesale removal of unauthorized and illegal structures are steps in the positive direction of this subject. The group however does not favour any government grants for building renovations.

14.3 By Zoning for Less Dense Developments under the Town Planning Ordinance

Lowering of development densities by gazetting plans with lower plot ratios under the Town Planning Ordinance would be resisted by the land owners. The adverse effects could be reduced first by adopting as small a reduction as possible, and secondly by allowing a grace period within which the land owners could mitigate losses.

14.4 By Comprehensive Redevelopment

The wide spread adoption of comprehensive redevelopment could lead to an increased number of blighted properties and accelerate physical obsolescence of the existing building stock. The capacity of LDC is also relatively limited. Comprehensive redevelopment is also considered to be unfair to the individual property owners as their proprietary rights to redevelop are lost. To reduce friction, in addition to limiting the number of comprehensive redevelopment schemes, it is recommended that the existing owners should be fairly offered a share in the redevelopment. This is however not the current practice of the LDC.

14.5 Alternative Approaches

14.5.1 There are other approaches to combat the unsatisfactory environmental conditions and over-congestion in the Metro area than 'thinning out'. To counter pollution for instance, the Government could enforce the lease conditions and/or legal provisions. Abating pollution by planning redevelopment is costly and time consuming. Law and lease enforcement would be more appropriate since only the offending parties are penalized without victimizing the non-offending owners and occupants. In extreme cases, to increase the provision of open space and to reduce traffic congestion in certain industrial areas, the Government could consider resuming a limited number of physically obsolete properties at strategic locations to provide open space, off-street loading and unloading areas, with a conscious policy to minimize the extent of resumption and clearance.

14.5.2 Government departments, public utility companies, the Housing Authority and the Housing Society currently hold a considerable quantity of land at strategic locations in the Metro area. Rezoning parcels of this substantial 'land bank' for open space or inclusion in comprehensive redevelopment schemes would achieve 'thinning out' without significantly affecting the proprietary rights of other private land owners. This is a moral and equitable approach because this 'land bank' comprises either unalienated government land or land granted in the past by private treaty at concessionary terms, and they now exhibit diminution in use in most cases.

14.5.3 Direct land exchanges by granting land in reclaimed areas in exchange for the surrender of private land in the congested built up areas which would otherwise be intensively redeveloped should be seriously considered. This method accelerates both the development of the new reclamations and 'thinning out' concurrently.

15. Reclamations and Underground City

- 15.1 To reduce the amount of reclamation materials required, the possibility of lowering the level of the promenades to be filled up to from the currently accepted level of around +5mPD to say around +3.5mPD could be considered. Gently sloping reclamations are formed.
- 15.2 An additional feature is the design and development of underground cities such as in Tokyo. When planning new reclamations, underground spaces could be created below the new developments and street areas by the construction of substantial basements and subways providing networks of all-weather pedestrian circulation routes as well as lucrative shopping centres and car parks. This is equivalent to submerging the Queensway shopping arcade underground. As excavated materials could be re-employed for filling other areas, total fill materials required would also be minimized. The feasibility of applying this method to existing areas should also be studied. This proposal is considered to be a more realistic alternative to the SPUN projects.

16. Density Control

- 16.1 A two-tier new density control could be introduced to reduce the overall development density of the Metro area - a higher one applicable to the existing land holdings and a more stringent one at lower densities to be applied to the new land grants for both sites in the reclamations and the comprehensive redevelopment zones in the existing cores. For the existing land holdings, tighter density control to achieve less dense development environments by gazetting plans under the Town Planning Ordinance is unpopular and unfair. The net result is the transfer of development potential from private to government land for revenue. Unless the subject of compensation is properly addressed, such a method should be avoided as far as possible. Similar comments are made in paragraphs 14.3 and 18. Combining the two achieves the target overall density.

17. Urban Design

- 17.1 The urban skyline and building facades in Hong Kong are often criticized for being monotonous. The group observed that the monotony is rather due to development control being on gross floor area basis, often leading to an over emphasis of saleable floor area efficiency. Better and more innovative building designs are often sacrificed for maximum usable floor area; narrow corridors, scissor staircases, and cruciform towers are typical urban features.

- 17.2 To encourage more imaginative building designs, the Government could consider controlling the maximum developable area on saleable area basis thus leaving the developers and architects to decide on the extent of common area to be included to suit their designs. In case where the controlled developable area is on saleable area basis more spacious common corridors will be planned and building forms can be more adventurous. Moreover, the definition of saleable floor area has already been widely adopted and understood. Condemning high density development as the culprit for poor architectural design and a monotonous skyline (page 14 of the consultative document) is inaccurate. Other restrictive factors include the stringent permissible site coverage stipulated in Schedule I and the 15m podium height limitation in Clause 20(3) of the Building (Planning) Regulations. Relaxations of these Building (Planning) Regulation limits should also be considered. Prior to legislative changes, it is recommended that new land grants will be processed on the basis of restricting development in terms of maximum saleable floor areas.
- 17.3 The proposal of developing fringe parks in the Metro area for recreation purposes is supported by the group.

SECTION C : Proposals for Legislative Changes

Certain legislative changes may have to be pursued in order to implement some of the group's recommendations.

18. Town Planning Ordinance

Implementing 'thinning out' of built-up areas by gazetting restrictive plot ratios (lower than Buildings Ordinance standards) on outline zoning plans under the Town Planning Ordinance resulting in pecuniary losses to land owners without properly addressing the matter of compensation should be guarded against. This raises the fundamental issue of the measurement and the redistribution of wealth. Prior to the reestablishment of the acceptability of such practices to the community, such proposals should be significantly curtailed. It is recommended that the matter of compensation be reviewed.

19. Partition Ordinance

The group recommends an extension of the Partition Ordinance by an amendment to enable the majority of the co-owners to pursue redevelopment in the absence of agreement from the minority. It is recommended an order for sale be made by the court provided that:

- (i) a substantial proportion of the co-owners (say over 66.66% in terms of both property value and number of undivided shares) apply to the court;
- (ii) a redevelopment proposal has been approved by the Government having regard to the Buildings Ordinance and the Government lease, and the proposed redevelopment represents an optimum utilization of the land;
- (iii) possibly, the minority comprises basically non-residing owners; and
- (iv) the minority co-owner's shares, if they join the redevelopment, would be of higher value than their holdings in the existing forms.

Such an amendment would accelerate urban renewal of old areas where there are absentee owners and without overtaxing the resources of the LDC in committing it to too many comprehensive redevelopment schemes in a short time.

20. **Building (Planning) Regulations**

The group recommends supplementing Schedule I of the Building (Planning) Regulations by introducing an alternative schedule depicting saleable floor area ratios together with relaxed site coverage figures. The 15m limit in Building (Planning) Regulation 20(3) should also be relaxed.

Appendices

- I. Population Analysis
- II. Analysis of Land Revenue
- III. The Joint Working Group and its Meetings.

Population Analysis

| Ref. | New Town/Rural Township | | Population up to 31.3.89 | Population up to 31.3.99 |
|-------|-------------------------------|-----------------------------------|--------------------------|--------------------------|
| 1. | Shatin | | 511,000 | 675,000 |
| 2. | Tai Po | | 168,000 | 276,000 |
| 3. | Fanling | | 111,613 | 236,826 |
| 4. | Sha Tau Kok | | 3,701 | 3,915 |
| 5. | Tuen Mun | Tuen Mun New Town | 326,595 | 514,950 |
| | | Yuen Long-Tuen Mun Corridor South | 18,407 | 19,193 |
| 6. | Tseung Kwan O | Tseung Kwan O (Phase 1 to 3) | 35,585 | 255,430 |
| | | Sai Kung Town | 13,938 | 17,635 |
| 7. | Tin Shui Wai, Yuen Long NW NT | Tin Shui Wan | -- | 135,435 |
| | | Yuen Long | 113,767 | 144,220 |
| | | NW NT | 130,005 | 175,908 |
| 8. | Islands District | Cheung Chau | 21,997 | 19,153 |
| | | Mui Wo | 5,202 | 5,865 |
| | | Peng Chau | 6,322 | 6,442 |
| | | Tai O | 5,398 | 5,713 |
| TOTAL | | | 1,471,530 | 2,491,685 |
| SAY | | | 1,472,000 | 2,492,000 |

Adopting that the population figures in the Metro area to be 4.2 and 4.1 million (being the average of 4.08 and 4.13 million) as at 31.3.89 and 31.3.99 respectively (page 17 of the consultative document).

| <u>Year</u> | <u>Population in Metro area</u> (a) | <u>Population in Non-metro area</u> (b) | <u>Total Population</u> (a) + (c) | <u>Cross reference Interpolated figure from Page 17</u> |
|-------------|----------------------------------------|--------------------------------------------|--------------------------------------|---------------------------------------------------------|
| 31.3.89 | 4,200,000 | 1,472,000 | 5,672,000 | 5,480,000 |
| 31.3.99 | 4,100,000 | 2,492,000 | 6,592,000 | 6,240,000 |

Source : Territory Development Department
Development Programme summary 1989 edition (supplement 2)

ANALYSIS OF LAND REVENUE

Analysis assuming an implementation period of about 20 years (from 1991 to 2011) Assumptions :

- (1) Revenue from land sales and modification premia as at 1992 to be X.
- (2) Revenue to increase at 5% per annum up to year 2008 (GDP assumed to increase by 5% per annum in Metroplan)
- (3) All land within the Metroplan to have been disposed by 2008 and receipts from 2008 to 2011 to be negligible.

| Year | Revenue from land sales | | Revenue from land sales, modification premia * | Equivalent value of X |
|------|----------------------------|----------|---------------------------------------------------------|--------------------------|
| | \$ | Strategy | ----- HK\$ billion | ----- HK\$ billion |
| 1991 | 0.00X | | | |
| 1992 | 1.00X | | | |
| 1993 | 1.05X | | | |
| 1994 | 1.10X | A | \$281.4 | \$10.882 |
| 1995 | 1.16X | | | |
| 1996 | 1.22X | B | \$305.7 | \$11.821 |
| 1997 | 1.28X | | | |
| 1998 | 1.34X | C | \$252.2 | \$9.753 |
| 1999 | 1.41X | | | |
| 2000 | 1.48X | | | |
| 2001 | 1.55X | | | |
| 2002 | 1.63X | | | |
| 2003 | 1.71X | | | |
| 2004 | 1.80X | | | |
| 2005 | 1.89X | | | |
| 2006 | 1.98X | | | |
| 2007 | 2.08X | | | |
| 2008 | 2.18X | | | |
| 2009 | 0.00X | | | |
| 2010 | 0.00X | | | |
| 2011 | 0.00X | | | |
| | ----- 25.86X | | | |

* As stated on Page 41 of 'Metroplan - The foundations and framework'

HKIS and RICS (HK) Joint Working Group on the Metroplan

| | | |
|-----------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Convenor | : | M.Y. Wan |
| Secretary | : | Alice Wong |
| Members | : | Raymond Chung Graham Heath Ivan Ho Daniel Lam Alex Meyers Victor Ng Edwin Tsang Gareth Williams Benson Wong Marco Wu Stephen Yip |

Dates of Group Meetings

| | |
|----------------------------------|--------------------|
| 1st Meeting | 17th February 1990 |
| 2nd Meeting | 10th March 1990 |
| Meeting with Planning Department | 10th March 1990 |
| 3rd Meeting | 7th April 1990 |
| Forum on the Metroplan | 24th April 1990 |