25 July 2013

By fax 2978 7569 Email: panel_dev@legco.gov.hk & post

Clerk to Panel on Development Legislative Council Secretariat Legislative Council Complex 1 Legislative Council Road Central Hong Kong

Dear Sirs

RE: Revised Development Proposal of North East New Territories New Development Areas

On behalf of the Hong Kong Institute of Surveyors (HKIS), I have much pleasure in submitting our concerns and suggestions on the Government's revised proposal on North East New Territories New Development Areas (NENT NDAs).

1. Enhancing Land Supply through the development of NENT NDAs

The HKIS supports the NENT NDAs development in principle for catering to the everrising housing demand but concerns about the details of implementation, density of development and the housing mix in the revised proposal.

2. Elaborating Compensation and Land Exchange Policies

The HKIS is of the view that the government should further elaborate the details of compensation policy, basis of premium assessment for land exchange and the implementation timetable including phasing of development. Such information would enable the affected owners and occupiers to better plan for their property and occupation requirements.

3. Increased Subsidized Housing Ratio

The subsidized to private housing ratios have increased significantly in both NDAs with the FLN being as high as 64% to 36% The HKIS concerns about such high subsidized housing ratio would create challenges in the future community

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development of the areas. We would recommend the Government to give further consideration to the housing mix in both areas and where appropriate to increase the supply of private residential units.

4. Optimizing the Development Potential of the KTN

The HKIS holds the view that the development potential in the town centre of KTN, i.e. within 500m from Kwu Tung Railway Station, could be further optimized to take full benefits of the future Kwu Tung Railway Station. It is noted that lower density housing (R2 zones) is planned within 200m from the future Kwu Tung Railway Station whilst the normal planning principle applied in other new towns is that higher density housing (R1 zones) will be accommodated within 500m from railway station.

5. Modifying the Proposed Criteria for Land Exchange

In light of the proposed criteria for land exchange applications, HKIS is in particular concerned that it could be very difficult for land exchange applications to be completed within Government's indicative time line.

The HKIS suggests that the Government should provide clear explanation of how the lease modification time line could be worked out and followed within Government, and how the required compensation to occupiers would be reflected, if any, in the premium assessment process.

It is possible that the Government will eventually resume the vast majority of the planned land for private development. The HKIS advocates the government to reconsider such criteria so as to encourage land exchange to take place in line with the development of the NDAs.

Thank you for your attention.

Yours faithfully,

Sr Stephen Lai President

cc The Hon Tony Tse, Legislative Councillor