

THE REAL ESTATE DEVELOPERS ASSOCIATION OF HONG KONG

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Stage 3 Community Engagement on Hung Shui Kiu New Development Area Planning and Engineering Study

- Submission on the Recommended Outline Development Plan by The Real Estate Developers Association of Hong Kong

1. Introduction

- 1.1 The Hung Shui Kiu New Development Area (HSK NDA) Planning and Engineering Study is at the Stage 3 Community Engagement. Public views and suggestions on the Recommended Outline Development Plan (RODP) have been invited.
- 1.2 The Real Estate Developers Association of Hong Kong (REDA) has reviewed the Digest and the RODP, and would like to comment on some of the general planning principles and the implementation process.

2. REDA

- 2.1 REDA has made submission on the Preliminary Outline Development Plan (PODP) for the Stage 2 Community Engagement. In summary. REDA has highlighted issues regarding the relationship with the broader regional development, the inadequate commercial land for suitable employment opportunities, the large land area and likely employment generation at the special industry zoning, the imbalanced private and public housing mix, and the implementation process. Some of these issues have been addressed in the RODP, but there are substantial areas of concern that remain or have been exacerbated.
- 2.2 This submission relates to matters and principles which REDA considers to be important in achieving a high quality form of urban development. It is made in the broad interests of Hong Kong, and in the interests of maintaining an efficient and sustainable urban development system.

3. General Points

- 3.1 The following summarise the general points that REDA has on the proposed RODP:
 - i. The proposed use of the land has not been forward-looking as to the role HSK should serve Hong Kong in the longer term in its relationship across the boundary, but has merely addressed existing transitional challenges;



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- ii. The proposals do not make the best of Hong Kong's proven record of successful high density Transport Orientated Development (TOD);
- iii. There is generally an underutilisation of land by unnecessarily adopting lower plot ratio restrictions than are appropriate;
- iv. There is an excessive amount of land zoned for low density development in the Economic and Employment Hub and this needs to be changed;
- v. More flexible land use zoning should be applied to economic and commercial land so as to better allow the market to determine the appropriate use;
- vi. The Regional Hub density, building height and mix of uses should be reconsidered so as to increase the space for commercial activities and additional housing, while replacing the unnecessarily large regional Plaza open space with an appropriate sized urban square;
- vii. An early decision on the Environmentally Friendly Transport System (EFTS) should be made so as to improve accessibility throughout the NDA. An expansion of the Light Rail Network as the EFTS would facilitate connections throughout the region;
- viii. Increased flat production can be achieved beyond the additional 60,100 units currently planned, and the proportion of private units produced should be increased to 40:60 to balance the large number of public flats in Tin Shui Wai (TSW), and
- ix. An efficient coordinated development office should be established to implement the project, and the land exchange system should be streamlined.

4. Comments on Hung Shui Kiu Recommended Outline Development Plan

Support for the Comprehensive Planning Approach

- 4.1 REDA supports the approach to the comprehensive planning for HSK. In general, the RODP provides a good mix of land for housing, open space, employment and community facilities. It includes initiatives for green transit, total water management, sustainable drainage system and green energy saving. It preserves some valuable ecological resources, historical structures and sites, and indigenous villages. The plan provides a good basis for the planning and implementation of various forms of public infrastructure. This must be coordinated with the increase of residents and users of the area.
- 4.2 However, the overall approach has not taken a long term view as to the best development outcome for HSK. Many of the changes introduced following the Stage 2 process are related to responses to the existing problems identified, such as:-



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- i. There is insufficient consideration of the Regional Context and the potential developing commercial relationship with Qianhai;
- ii. There is also too much land now provided for accommodating existing low-value, low employment commercial activities such a port back-up uses and open storage uses, and
- iii. The best long term use of the land within the HSK NDA will not be achieved.

Relationship with Broader Region

4.3 HSK has the locational advantage of being in close proximity to the Shenzhen Bay Control Point, and the connectivity to Qianhai, Shekou and the Greater Pearl River Delta Region. It is the gateway for the traffic to and from the Control Point along Kong Sham Western Highway. While there are numerous interchanges and slip roads leading to the special industry, the residential and an educational area, there is no direct connection to the Regional Economic and Civic Hub (Regional Hub). Also, the amount of land provided for the development of the Regional Hub is too small for it to be able to perform its intended function. This needs to be expanded if more high level employment and commercial opportunities is to be provided.

Relationship with the Surrounding Districts in Northwest New Territories

4.4 HSK is centrally located at the North West New Territories (NWNT), with TSW, Yuen Long South and Lau Fau Shan adjoin it to the east, south and north respectively. The eastern, southern and northern nodes of HSK should be planned in consideration of these surrounding districts, in support with each other and create synergy to contribute to the success of the region. The commercial land uses and densities at these nodes should be enhanced to achieve success for HSK NDA and the surrounding districts, and the NWNT.

Departure from Transport Oriented Development Concept

4.5 The Hong Kong Planning Standards and Guidelines (HKPSG) states that higher and better land uses should be included in the 500 metres catchment of the mass railway stations, and that the densities in these locations should be the highest. Hong Kong has a proven record of achieving internationally recognised TOD around many MTR stations, where intense development is built above and around the stations. This provides convenient and efficient access for residents and users, reduces traffic needs and reduces air pollutant emissions, and is what makes Hong Kong a sustainable city. While the Digest mentions this approach in the Urban Design Framework, the provisions on the RODP do not show that this is actually applied to the areas involved.



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4.6 The clusters around the two West Rail stations are considered not to have maximised the land resources at these prime locations, in the following manner:

i Tin Shui Wai Station

Around Tin Shui Wai West Rail Station, the HSK RODP includes some commercial, mixed commercial and residential, and residential zoned land, where the latter two occupy land area similar to the commercial uses. This allocation is considered unlikely to be of adequate commercial density to provide a critical mass for the success of this economic district node designated in the study, or to redress the economic weakness at TSW. The Commercial development and OU(Commercial Development) zones should be at the maximum permitted plot ratios, and the plot ratios for the HOS and RSc zones should be increased from plot ratios of 5 and 5.5 to 6/6.5 so as to benefit from this prime location

ii Hung Shui Kiu Station

This is to be the Regional and Civic Hub and the mix of uses and the proposed layout will not achieve this function and result in the underuse of a prime TOD location. This is discussed below.

Need to Increase Flat Production and Residential Development Density

- 4.7 The Long Term Housing Strategy identifies an annual housing supply target of 48,000 units for the coming 10 years. The RODP for HSK NDA will create about 60,100 units, or only 1.25 times the identified annual target, and to accommodate only 173,000 people. This is an unacceptably low number of new flats. The creation of the new housing sites at HSK would incur large public costs, disruption to existing communities, and extensive infrastructure provision. In view of this, greater production of flats should be achieved to address the strategic objective of providing housing land for Hong Kong in the medium to long term.
- 4.8 The proposed RODP residential densities compared with HKPSG are below that which could be achieved and there is no justification provided for this. The proposed residential Zones 1 and 3 and Public Rental Housing plot ratios are 0.5 plot ratio below the HKPSG standards. Zone 1 should be increased to PR 7. The cap is considered unnecessary considering the following:-



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- i. Transport and infrastructure limitations are shown and cited in the Public Engagement Digest as constraints restricting development potential. This should not be the case as such limitations should never be accepted as irresolvable; instead, technical solutions and improvement measures should be explored and identified at the outset of the planning of the NDA so as to enhance its development potential;
- ii. The preservation of the existing low density village housing provides a balance of low and high density development;
- iii. The urban design concept to step down development intensity from the west rail line at the south to Deep Bay/Lau Fau Shan at the north can be maintained, but with a corresponding increase in the development intensity;
- iv. Some of the R2 and R3 zones should be increased to R1 density levels, and
- v. All forms of public housing should be increased to R1 density from PR 5 to PR 7.
- 4.9 The proposed plot ratios have the potential to be increased without adversely affecting the quality of the proposed urban development. The domestic development intensity for the proposed residential Zones 1 and 3 and Public Rental Housing sites should be maximised in accordance with the HKPSG.

Need to Improve Proportion of Private Housing

- 4.10 One of the stated objectives of the planning study is to achieve a balance of public and private housing, and in doing so to address the under provision of private housing in TSW. Adequate provision of private housing is essential in meeting ownership needs and for making available private flats in order to provide a wider range of choice for various end-users, such as those who are no eligible for public or subsidised housing.
- 4.11 The proposed land reservation within HSK will not achieve the overall balance of public to private housing when taken together with TSW. It is about 69:31 public to private. We believe this proportion should be adjusted to 50:50 in order that the resultant ratio for the overall planning area, TSW included, would be brought to a more balanced 60:40 at least. The proposals in this submission to reduce the amount of land in the Employment Node, and to increase densities generally to make better use of the available land, will enable more land to be made available for housing and, while also allowing more land to be used for private housing so as to achieve the 60:40 proportional split.



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Mixed Commercial and Residential Use Development Parameters

- 4.12 The proposed mixed commercial and residential zones in the RODP have various plot ratios and building heights which appear arbitrary. The mixed use development around transport nodes should have the same development parameters as residential development. There is no reason to distinguish the mixed commercial and residential use development, by way of being private or public housing, with or without light rail facilities. It is considered appropriate to maximise the development intensity to that of R1 i.e. 7 plot ratio and 40 storeys.
- 4.13 The general increased development density proposed is consistent with planning principles converging at the pivotal functional and visual cores at HSK. It will help contribute to the vitality and vibrancy around the regional and district nodes. Optimisation of development potential is fundamental to the housing and economic development of HSK NDA and the regional success of the NWNT. It would also allow for greater production of both private and public housing and the proportional mix could still be achieved.

Need to Increase Commercial Development Density

- 4.14 The general commercial zoning on the PODP has plot ratios of 1.5, 5, 8 and 9.5. It is unclear how these plot ratios have been determined and how they will be distributed in the NDA, let alone their relationship with the surrounding land uses. There is a blanket 35 storeys building height restriction, and no respective building heights specified for the four different densities. It is unclear in the anticipated built form of the amount of room for architectural design flexibility for better building design and for visual interest. Because of the importance of the Regional Hub there should be scope for the construction of landmark commercial buildings of 50 to 60 storeys, higher than the general level of 40 storeys for the residential buildings in the area. The commercial zonings of 1.5 and 5 plot ratios are very low, do not utilise land well, are lower than the density usually applied to the NT, and limit the number of jobs that could be created through more efficient use of land.
- 4.15 Higher and better commercial land use and development density at the two cores around the West Rail Stations is fundamental. Optimal commercial development at the northern and southern local nodes around Yuen Long South and Lau Fau Shan are also important.



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Excessive land reserved for Logistics Facilities, and Enterprise and Technology Park Land Supply: Economic Deterministic Approach

- 4.16 There are no technical assessments provided that quantifies the future needs, land requirement, floor space demand, or employment generation rate for the Logistics Facilities, and Enterprise and Technology Park. While these industries are generally recognised as important contributors to the economy, there is no apparent justification for the large land allocation for these uses at the NDA. 37ha are reserved for the Logistics Park, 9ha for the Enterprise and Technology Park, and 24ha for Port Back-up uses (or about 5.2%, 1.3% and 3.3% of the NDA land area respectively).
- 4.17 Land use controls should include flexibility to allow the market mechanism to be responsive to changing economic and industrial needs. The RODP is attempting to be too deterministic as to the types of land uses and employment opportunities that can be created in these areas. Experience in the NT has shown that the provision of zoned land for economic activities does not always result in these eventuating. A much broader OU(Business) zoning should be applied within which Logistics Facilities, and Enterprise and Technology Park uses, storage and workshop uses are always permitted.
- 4.18 The 5 plot ratio and limit of 10 storeys building height restrictions for Logistics Facilities, and Enterprise and Technology Park Zonings is considered unnecessarily low and restrictive on design. This is a reduction from the 10-15 storeys restriction proposed in the PODP. To make best use of this land a plot ratio of 9.5 as normally applied in the NT should apply to the employment zones in the NDA, and development heights of up to 20 storeys permitted.
- 4.19 If this approach was taken to enable a more flexible use of this land with the OU (Business) zoning and with a more normal form of development with PR 9.5, then some of the existing land zoned for OU(E&TO) and OU(LF) could be released for provision of housing, GIC and open space uses.

Location of Industry

4.20 The proposed industrial zoning (13ha) located on the western edge of the NDA separated by Kong Sham Western Highway from the Regional Hub is not considered an appropriate location. Industry is considered more appropriate to be clustered with the other employment uses in the north and should be absorbed into the OU(Business) zone, as proposed above.



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Transportation Linkages

- 4.21 The Green Transit Corridor with environmentally friendly transport services is supported. However there remains no certainty as to what it would be, whether it would actually be implemented or when it would be implemented. There are good reasons why it should be light rail transit, so as to enable extension beyond HSK by connecting with the TSW and the NWNT existing networks. This is critical for passenger convenience and encouraging cross district and intra-regional activity, resulting in a self-sustaining region.
- 4.22 As the northern parts of the NDA are quite remote from the MTR stations, it is essential that the LRT services be extended to serve these areas in conjunction with their development. There should not any delay in the implementation of the LRT expansion. The improvement of the LRT system and operation should be considered as part of this expansion.
- 4.23 Further consideration should be given to the following transport linkages within the HSK NDA:
 - i. Better east-west linkages traversing the NDA;
 - ii. To realise the connection with TSW as one of the vision statements of the study, more bridges across the river such as in extension to the proposed shopping street should be included;
 - iii. The NDA is essentially surrounded by ring roads, which are dual carriageways carrying frequent high speed vehicular traffic, forming real and psychological barriers. Particular urban design considerations should be given to promote cross districts movements.

Reconsideration of the Regional Hub

- 4.24 The design and content of the Regional Hub is very disappointing, and does not take good account of the future role it is to perform nor does it meet successful TOD principles as achieved in Sha Tin, Kowloon Station and with IFC in Central. The whole area within the 500m radius of the HSK MTR station, and nearby land, should be reconsidered by taking account the following:
 - i. The development potential of all the commercial and residential uses should be maximised;
 - ii. The maximum building height should be between 50-60 storeys to allow the construction of landmark buildings which will represent the importance of this Regional Hub;
 - iii. The huge ground level Regional Plaza park should be removed and the area incorporated within a comprehensive development design which, would provide a suitably sized central urban square;



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- iv. The site reserved for post-secondary education use should be rezoned for commercial use and the education use be moved to the north in the employment hub where it would have convenient access to the new LRT transport and synergy with commercial activities;
- v. The area to the west of the Kong Sham Western Highway should be rezoned from industry to residential, to support the importance of the Regional Hub and proximity to the railway station. The industry should be incorporated into the Employment Hub under an OU(Business) zoning;
- vi. The ETS depot should be reconsidered as to whether it is necessary, and if it is, it should be located outside the Regional Hub. It would be more logical and reasonable to incorporate the depot into the existing LTR depot on the junction of Castle Peak Road and Hung Tin Road. It will also be compatible with the proposed OU (Commercial & Residential Development with Light Rail Facilities) zoning;
- vii. The Two sites zoned OU (Public Transport Interchange) around TSW West Rail Station and Lau Fau Shan should be planned to have development above them, as for other Public Transport Interchange in Hong Kong;
- viii The fringe areas of the Regional Hub could be zoned as OU(Mixed Use) so as to permit the market to determine an economic mix of commercial, hotel and residential activities.

Implementation

- 4.25 An efficient implementation of the HSK NDA is critical to capitalising on its strategic location, in relation to the fast development pace of the Pearl River Delta connected by the Kong Sham Western Highway, and the Tuen Mun Western Bypass serving Chek Lap Kok now under construction.
- 4.26 There are various government departments involved in the implementation of HSK, with different levels of resources and priorities. It is considered that a special taskforce should be formed to ensure coordinated and fast tracked implementation.
- 4.27 About 64% of the HSK NDA is in private land holdings. Private sector participation in the process is therefore essential in bypassing the difficulties to do with land resumption and ensuring efficient implementation. An implementation approach that will allow flexible land exchange should be adopted to facilitate the early materialisation of private developments.
- 4.28 While we believe that the Enhanced Conventional New Town Approach (ECNTA), which has been applied with considerable success in the Fanling



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North and Kwu Tung North NDAs, should be considered for this planning area as well, we have crystallised the experience gained during the implementation of the ECNTA in the NENT NDAs into some suggestions for improvements to enhance its application in HSK.

- i. No restriction of a required minimum site area should be imposed for land exchange. There is no reason why a small sized development would not be able to fit into a comprehensive and well-thought through planning layout. The removal of any size constraint will encourage participation of private owners and developers from a wider spectrum of market size, and can help bring in units of greater variety to suit different market segments.
- ii. To facilitate the amalgamation of sites of land exchange applications for early implementation, greater flexibility and a pragmatic attitude should be adopted in the consideration of site boundary, private land ownership pattern and intervening Government land plots. Land exchange application for a site straddling over two different planning zones should be allowed.
- iii. The deadline for land exchange application should be reasonable and practicable, and be set in synchronisation to the approval of the first Outline Zoning Plan and the completion of infrastructural facilities.
- iv. With regard to the provision of infrastructural facilities, in order to overcome the issue of timing-mismatch between Government's funding program and development progress, we believe it is feasible to have those infrastructural facilities entrusted to concerned developers as part of the private developments. The infrastructural facilities should include public road, footbridge, open space and all underground utilities. Surrender of lots for the provision of infrastructural facilities should be allowed by the Government as part of the land exchange. Wherever there is already road access like existing tracks and roads in connection to a site, it should be allowed for land exchange straight away.

5. Conclusion

5.1 It is considered that infrastructure capacity is not an absolute constraint to the development potential at HSK. Adequate capacity should be provided at the outset in the planning process so as to accommodate a large population. There are inadequate rationales restricting the density of many of the zones under the RODP. This is underutilising the development potential of the area and misusing the scarce land resources available to address the land shortage in Hong Kong. An increased development intensity is necessary and desirable to achieve the strategic planning intention of the area in providing housing land for Hong Kong in the medium to long term.



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- An increased development intensity around the transport nodes is fundamental in accordance with the TOD principles of good urban design. It will help redress the imbalances that exist in TSW, and will help contribute to the achievement of the strategic planning intention for HSK.
- 5.3 There are unnecessarily restrictive zoning provisions which will prohibit flexibility to allow the market mechanism to be responsive to local needs and changes in economic development.
- 5.4 Increasing the residential development densities as proposed, and relocating the industrial zoning and rationalising it with the OU (Business) zone will result in additional 15,000 units in total. It is considered that adjustments should be made to the RDOP to significantly improve the efficiency of the future development of HSK.

The Real Estate Developers Association of Hong Kong September 2015