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Clerk to Panel on Development

Legislative Council Secretariat

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Designing Hong Kong's views on Land Sharing Pilot Scheme

The Chief Executive proposed the Land Sharing Pilot Scheme in the 2018 Policy Address to encourage developing privately owned lots through public-private partnership. The Pilot Scheme is aimed to bring an increase of housing supply, including both public and private housing, in the short to medium term. The application will examine by a multi-disciplinary group and 70% of the additional gross floor area from the approved application will be allocated to public housing development.

Designing Hong Kong herewith offers a number of views.

1. The government should take back the leading role in housing development. Under the Land Sharing Pilot Scheme, the private developers have the leading role on the housing development as the developers have the decision to whether submit the application or not. Housing is a key issue in Hong Kong in the last decades and Hong Kong Government has the responsibility to take back the leading role in solving the housing problem. The Scheme further undermines the role of the government in the housing market and strengthen the dominance of the private developers in the future housing supply. Therefore, the Hong Kong government should bare the responsibility to provide affordable and quality housing to the civilian.
2. Private developers are still the biggest winner in the Land Sharing Pilot Scheme. The Land Sharing Pilot Scheme mainly focuses on releasing the private lots, mainly agricultural land, in the New Territories. Most of these land lie on "Agriculture" or "Green Belt" zone, which residential development is prohibited. Developers have to apply for rezoning in Town Planning Board to have residential development in the mentioned zoning. The development

parameter would be low in these approved applications. The Scheme allows higher development intensity and the developers could gain at most 30% of the additional gross floor area which ensure they can build extra housing for their own private development. The developers will gain extra development and benefit the most in the Scheme.

3. The Scheme further encourage the land reserve activities from the developers. Lack of infrastructure and other community facilities hinder the development of the privately owned lots in the New Territories. The development under the Land Sharing Pilot Scheme includes providing infrastructure and other community facilities. Those facilities not only serving the development project, but also the surrounding areas. The value of the adjacent land would rise. The potential rise of land value encourages the developers to reserve land in the adjacent area. Once the infrastructure has built, developers can launch other residential development proposals nearby.
4. The government should make use of the Lands Resumption Ordinance to development privately owned lots in New Territories. There is a risk of collusion under the Land Sharing Pilot Scheme as the public housing development has to relied on the proposal of the private developers and the government may not control the supply of housing as the Scheme is led by the market. Public Housing is a social welfare and the government should lead the housing policy to develop public housing for the citizens. The Chief Executive mentioned in the 2019 Policy Address that enacting the Lands Resumption Ordinance to build public housing and other public works projects. The land gained from the Ordinance can all use for building public housing and related infrastructure, which responded to the public wishes of the increase of public housing supply, as well as a step to take back the leading role in the housing market in Hong Kong.

Yours,

Designing Hong Kong Limited