

LCQ10: Provision of sites needed for meeting the public housing production targets

Following is a question by the Hon Kwok Wai-keung and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (December 12):

Question:

The Long Term Housing Strategy has set a public housing supply target of 280 000 units for the coming 10-year period, i.e. 28 000 units each year on average. However, the estimated public housing production for each of the coming four financial years is less than 20 000 units. On the other hand, in June this year, the Chief Executive (CE) announced the reallocation of nine private housing sites for public housing development. In this connection, will the Government inform this Council:

- (1) of the respective numbers of (i) private housing sites converted to public housing sites and (ii) public housing sites converted to private housing sites by the Government in the past five years, and set out, by the new use, the location, area and number of residential units that can be provided in respect of each site;
- (2) of the number of Government, Institution or Community sites rezoned to public housing sites by the Government in the past five years, and set out, by the new use, the location, area and number of residential units that can be provided in respect of each site;
- (3) of the Government's considerations in converting private housing sites to public housing sites;
- (4) whether it will establish a mechanism whereby, when it is envisaged that the public housing production targets for certain years in the future cannot be met due to insufficient sites being available, a certain number of private housing sites must be timely converted to public housing sites to provide the sites that are required to make up for the shortfall in housing production; and
- (5) as the CE has stated in this year's Policy Address that the Government will increase the ratio of public housing in the public/private split of new housing supply and allocate more sites for public housing development, of the specific measures to be put in place to implement such decisions?

Reply:

President,

The Government has been continually identifying suitable sites for the Hong Kong Housing Authority (HKHA) and the Hong Kong Housing Society (HKHS) to develop public housing in accordance with the ten-year public housing supply target under the Long Term Housing Strategy (LTHS). During the site-searching and planning process, the Government would consider the holistic planning of the community as well as specific factors for individual sites in the allocation of suitable sites for public and private housing development purposes.

Having consulted the Transport and Housing Bureau, my reply to various parts of the question is as follows.

(1) (i) Taking into account those sites announced in June this year and re-allocated in the previous five financial years (2013-14 to 2017-18), the Government has re-allocated a total of 21 private housing sites for public housing use. Information of these sites is listed at Annex 1.

(ii) No public housing sites have been converted for private housing development in the past five financial years (i.e. from 2013-2014 to 2017-2018).

(2) During the five-year period from 2013-14 to 2017-18, the Government has rezoned 23 sites predominantly zoned "Government, Institution or Community" for public housing development. The zonings, locations, area and estimated flat numbers of these sites are at Annex 2.

(3) and (4) The Government currently has established procedures in the allocation of sites for public and private housing purposes when undergoing the site searching and planning process. In considering the housing types of individual sites, the Government has to take into account the holistic planning of the community, including the ratio of public and private housing in the concerned areas, and the different needs of public and private housing for community facilities, transport facilities, and infrastructural facilities in the area (such as water supplies, drainage, roads, etc.), and whether the location, area, and development scale of individual sites would be suitable for public housing development. At the same time, the Government also need to take into account the demand for private housing in the society, and continue to keep a certain number of sites for the Land Sale Programme in order to maintain a sustained and steady private housing land supply.

In view of the society's keen demand for public housing in recent years, the Government has converted 21 sites originally intended for private housing for public housing use since 2013-14 having balanced the needs of different sectors in the society. The Government will continue to keep the situation under review and assess the most suitable land uses for different sites. This notwithstanding, in view of the considerations above, not all sites originally intended for private housing use could be arbitrarily reallocated for public housing.

To solve the shortage of public housing in the long run, we cannot only

rely upon site reallocation. The key is to continually increase the overall land supply. The Government will continue to strive to identify sites for public and private housing development, and adopt a multi-pronged approach in increasing land supply in a sustained and steady manner in order to achieve the public housing supply target.

(5) The Government announced the LTHS in December 2014, adopting the supply-led and flexible principles to gradually avert the housing supply-demand imbalance. According to the LTHS, the Government updates the long term housing demand projection annually and presents a rolling ten-year housing supply target to capture social, economic and market changes over time, and make timely adjustments where necessary.

Based on the projections in December 2017, the total housing supply target for the ten-year period from 2018-19 to 2027-28 is 460 000 units. According to a public/private split of 60:40, the public housing supply target is 280 000 units, comprising 200 000 public rental housing units and 80 000 subsidised sale flats; while the private housing supply target is 180 000 units.

The Government is now working on the housing demand projections for the next ten-year period (i.e. from 2019-20 to 2028-29), and will later announce the results.

As pointed out in the Chief Executive's 2018 Policy Address, the Government would increase the ratio of public housing, and committed that 70 per cent of housing units on the Government's newly developed land would be for public housing, which is a overall target having holistically considered the newly developed land whereas the housing types of individual sites would depend on such factors as the location and availability of ancillary facilities in the vicinity. The Policy Address also indicated that the public/private split of the future ten-year housing supply target under LTHS might need to be adjusted. The Government will have full regard to the latest developments and views from various sectors when updating the next ten-year housing supply target later this year.

To meet the public housing supply target, the Development Bureau and Planning Department have been working with the Transport and Housing Bureau and Housing Department, with the view of identifying suitable lands and increasing overall land supply to provide HKHA and HKHS with sites for public housing development.

In the short-to-medium term, through the rezoning of some 210 housing sites for housing purpose, over 310 000 residential units can be built. Among these units, over 70 per cent will be used for public housing development.

The medium-to-long term housing supply mainly relies on the four New Development Areas (NDAs) and New Town Extension projects, which are Tung Chung New Town Extension (TCNTE), Kwu Tung North (KTN) and Fanling North (FLN) New Development Areas, Hung Shui Kiu Development Area and Yuen Long South development, which together will provide some 210 000 residential

units. Under suitable circumstances, we will increase the public housing ratio of these development projects. For instance, as shown in the table in Annex 1, we have reallocated a private housing site in the TCNTE area for public housing development in year 2017-18 (item 12). Separately, we were earlier approved by the Town Planning Board to increase the development intensity of residential sites in KTN/FLN NDAs. Together with enhanced site design, the flat gain of 12 000 units will be fully allocated for public housing, increasing the public housing split of the KTN/FLN NDAs to approximately 70 per cent.

Also, the Policy Address suggested that 70 per cent of housing production under the Lantau Tomorrow Vision would be for public housing. Taking the 1 000-ha Kau Yi Chau artificial islands under the focus of the first-stage study as suggested by the Government as an example, around 150 000 to 260 000 units could be built, 70 per cent of which (i.e. 105 000 to 182 000 units) would be public housing.

As pointed out in the Policy Address, the Development Bureau will formulate feasible arrangements for the Land Sharing Pilot Scheme after making reference to the Task Force on Land Supply's final report to be submitted, so as to unleash the development potential of private land for increasing supply of public and private housing, among which includes the consideration of using not less than 60 per cent to 70 per cent of the increased floor area for public housing.

The various measures above which are being implemented or proposed have shown the Government's determination in increasing housing land supply. We will continue to make strenuous efforts for the relevant works.