

LCQ8: Assisting brownfield operators in reprovioning their operations

Following is a question by the Hon Lau Kwok-fan and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (June 2):

Question:

As shown in the report of the Study on Existing Profile and Operations of Brownfield Sites in the New Territories published in 2019, among the about 1 580 hectares of brownfield sites in Hong Kong, 90 per cent were used for various types of industrial and commercial activities. The Government projected last year that over 860 hectares of brownfield sites would be redeveloped for housing and other uses in future. Some brownfield operators and their employees are worried that they will not be able to identify sites for reprovioning their operations, making it difficult for them to sustain their living. In this connection, will the Government inform this Council:

(1) whether it will set up a task force on the reprovioning of brownfield operations to be responsible for work such as assisting brownfield operators affected by land resumption in identifying sites for reprovioning their operations, applying for ex-gratia allowances and drawing up business resumption plans; if not, of the reasons for that;

(2) as the Government indicated last year that those affected brownfield operators whose operations could not operate in multi-storey buildings might consider relocating to the sites zoned "Open Storage" in other areas in the New Territories, and after excluding those open storage sites which had been included in the Hung Shui Kiu/Ha Tsuen, Yuen Long South and New Territories North New Development Area projects, there were still 171 hectares of open storage sites, whether it has assessed if such sites are sufficient for accommodating all of such affected brownfield operators; and

(3) given that as at December 2017, about 16 000 hectares of land in Hong Kong were zoned "Green Belt", whether the Government will conduct a comprehensive study on the use and existing profile of such belt, so as to facilitate the identification of suitable sites for brownfield operators to reprovion their operations; if not, of the reasons for that?

Reply:

President,

The reply to the various parts of the Hon Lau Kwok-fan's question is as follows:

(1) Brownfield operations are business undertakings. As in the case for other business undertakings affected by development projects, the Government's

policy is to provide eligible business operators with monetary compensation, so as to assist their relocation. They may receive a statutory compensation, or an ex-gratia allowance alternatively. The Finance Committee approved in July 2018 the substantially-improved arrangement for ex-gratia allowances, the disbursement of which now being centrally administered by the Lands Department (LandsD) (Note 1).

While the Government does not make re-provisioning arrangements for affected brownfield operators, the Development Bureau (DEVB) and relevant departments are offering them advice on planning and land issues in relation to relocation sites they have identified. Under the First Phase development of the Kwu Tung North and Fanling North New Development Area (NDA) for example, the DEVB has indicated to affected operators that the Government stands ready to provide assistance on planning and land matters arising from relocation, as well as to help expedite the approval process of related planning applications through co-ordination of comments from different responsible departments which administer the established statutory and administrative procedures respectively. This approach is quite effective as we now see some planning applications being approved successively and will do the same in NDAs. If necessary, we may strengthen dissemination of information about the facilitation to affected brownfield operators.

(2) Currently, brownfield operators may consider moving their businesses to other locations zoned "Open Storage" (OS) in the New Territories. In addition, if a site identified for relocation is under another zoning, the operator may submit a planning application to the Town Planning Board (TPB), which will assess such applications with reference to the criteria contained in a set of revised Guidelines (TPB PG-No. 13F) (Note 2) promulgated in March last year.

In accordance with the TPB PG-No. 13F, rural areas in the New Territories covered by statutory plans are classified into four categories (Category 1 to 4) so as to channel open storage and port back-up uses to specific areas, thereby preventing them from proliferating haphazardly into the unsuitable areas. Category 1 (mainly including areas zoned "OS", "Other Specified Uses" annotated "Port Back-up Uses", "Industrial" or "Industrial (Group D)") and Category 2 (mainly including areas without a clear planning intention or fixed development programme, and areas to be gradually developed along major upcoming infrastructural projects nearby) cover about 585 hectares (Note 3) and 281 hectares of land respectively. In general, there are good chances for the TPB to approve relevant planning applications within areas under these two categories, if government departments do not hold adverse comment on the uses applied for, or if the concerns of nearby residents may be mitigated through the TPB imposing approval conditions.

The above two categories involving a total of around 866 hectares of land do not include areas to be redeveloped for logistics and port back-up uses in the NDAs (including Kwu Tung North/Fanling NDA, Hung Shui Kiu/Ha Tsuen NDA, and Phases 1 and 2 of Yuen Long South Development Area). Prior to the implementation of the said NDAs, existing open storage and port back-up uses in relevant areas may warrant TPB's sympathetic consideration under

usual circumstances until the relevant land is due for resumption for redevelopment. In this regard, departments would, according to the works programme, endeavour to address the reasonable concerns of affected brownfield operators and allow them to move out in an orderly manner by batches.

Separately, the LandsD is making available suitable vacant government sites for letting to eligible business operators affected by the land resumption and clearance exercises for NDA or other relevant government development projects, by way of short-term tenancy through tender. Tenders of the three pieces of government land in Yuen Long and Fanling in the first batch were awarded at the end of last month. The next batch of three other pieces of government land in Tuen Mun and Kwu Tung North would be put to tender in the same manner within this month. The LandsD would continue to identify suitable vacant sites, and plan to roll out the third batch later for eligible business operators to rent with priority by way of short-term tenancy through tender.

(3) In general, the planning intention of the "Green Belt" ("GB") zone is primarily for defining the limits of urban and sub-urban development areas by natural features. Mainly naturally vegetated areas and slopes, most of the land within the "GB" zone is classified as Category 4 under TPB PG-No. 13F. If the land in question remains within the "GB" zone, applications for open storage and port back-up uses are generally not supported unless under exceptional circumstances.

The Government keeps an open mind on the idea of rezoning suitable "GB" sites for other uses (e.g. residential including public housing) to supply developable land, and has been doing so. Indeed, among more than 210 sites identified last few years by the Government with potential for housing development in short to medium term, around one-thirds of them (77 sites) are within the "GB" zone. That said, as explained in my response to part (2) above, our current planning direction is to consolidate existing brownfield operations at appropriate locations with less environmental impacts. Rezoning "GB" sites for open-air industrial uses is not in line with this direction.

The current large-scale open-air operations on brownfield sites may not be the most optimal use of land for sustainable development. Expecting the Government to make available land of a similar size for affected brownfield operators to re-establish their existing operations is not a practicable option. At a macro planning level, we have reserved in the Hung Shui Kiu/Ha Tsuen NDA and Yuen Long South Development Area a total of 72 hectares of land (some of which for development of multi-storey buildings (MSB)) to provide planned and concentrated accommodation to consolidate brownfield operations in a manner achieving better land use efficiency. We expect that a concrete proposal in respect of the development models of the first batch of MSB sites would be in shape next year, to meet the completion of the site formation works for this batch of sites as early as in 2023. In addition, we would continue to reserve land at suitable locations, including exploring feasible locations in other major development projects, for consolidating brownfield operations.

Note 1: Affected business operators may obtain information on the compensation arrangements and contact information of relevant offices through the LandsD's website, introduction video and pamphlet (website: www.landsd.gov.hk/en/land-acq-clearance/land-resumption-clearance/rehousing.html).

Note 2: The full name of the Planning Guidelines is "Town Planning Board Guidelines for Application for Open Storage and Port Back-up Uses under Section 16 of the Town Planning Ordinance" (website: www.info.gov.hk/tpb/en/forms/Guidelines/pg13f_e.pdf).

Note 3: The area zoned "OS" outside various NDA projects, after the exclusion of part of the land recently included in San Tin/Lok Ma Chau Development Node and the Remaining Phases of Public Housing Developments at Wang Chau, has been adjusted from 171 hectares to about 152 hectares. This 152 hectares of land is part of the 585 hectares of land under Category 1.