

Transcript of remarks by SDEV at media session

Following is the transcript of remarks by the Secretary for Development, Ms Bernadette Linn, at a media session after attending a radio programme today (July 20):

Reporter: Now that the threshold for compulsory land sale has been lowered, besides setting up designated offices, what other measures or support would be in place to help affected flat owners? Specifically, would the government consider building new buildings within the same district to accommodate them? Secondly, over the San Tin Technopole development, you mentioned that the government is considering allowing developers who win bid for a land to take on the responsibility of forming land, could you explain the rationale behind this decision and whether there is a concrete plan for how much of the area would be developed with this approach.

Secretary for Development: On your first question regarding the compulsory sales, first of all, I must make it very clear that the compulsory sale regime is to facilitate the redevelopment of our aged buildings in the private market. So it is activities in the private market, activities between the private owners of individual flats and those developers who are interested in acquiring their flats. So there is no question of government going into this market and having flats built to rehouse those owners affected. It is a private market activity. Of course, the government has also been rolling out land and the Urban Renewal Authority has also been taking forward redevelopment projects in the urban area. That means there will be new flats in the urban area anyway to help with the decanting with the movement of the owners out of their aged buildings. But again, this is a private activity to happen or happening in the private market, not about government intervention of building private housing for rehousing.

As to what type of support we will give to the minority owners affected by compulsory sale applications, we will be shortly establishing a dedicated support centre. This centre will report to the Development Bureau, so it is a government-led setup. And this centre will provide support for the minority owners in terms of legal advice and independent valuation advice which they will need to tackle the compulsory sale applications. We will also engage the Urban Renewal Authority to invite them to help promote the joint sales among owners who would like to join together and have their flats redeveloped without having to wait for developers to approach them. So we will use a multi-pronged approach to assist minority owners.

As to your second question about the use of this new concept in developing the Northern Metropolis, it may not necessarily be applied to the San Tin Technopole. But this new concept is about the government designating a rather large region in the Northern Metropolis and having that region tendered out to a consortium and require the consortium to deliver what the

government required of that land, including private residential, commercial gross floor area and also infrastructure and community facilities. This approach will help reduce the cash flow burden on the government because we do not have to use the public coffers, use public funding to do the site formation and other infrastructure on our own. Whoever is the consortium successfully tendering the land for that region, they will make a bid and in that bid they will take account of the capital cost that they have to incur and give the government a reasonable revenue, so we think it will help in terms of speed and also in terms of government cash flow.

(Please also refer to the Chinese portion of the transcript.)