

**Minutes of 1189th Meeting of the
Town Planning Board held on 23.11.2018**

Present

Professor S.C. Wong

Vice-Chairperson

Mr H.W. Cheung

Mr Ivan C.S. Fu

Mr Sunny L.K. Ho

Mr Stephen H.B. Yau

Dr F.C. Chan

Mr David Y.T. Lui

Dr Frankie W.C. Yeung

Mr Peter K.T. Yuen

Mr Philip S.L. Kan

Dr Lawrence W.C. Poon

Mr K.K. Cheung

Mr Wilson Y.W. Fung

Mr Thomas O.S. Ho

Dr Lawrence K.C. Li

Mr Stephen L.H. Liu

Professor T.S. Liu

Miss Winnie W.M. Ng

Ms Sandy H.Y. Wong

Mr Franklin Yu

Mr Stanley T.S. Choi

Mr L.T. Kwok

Mr Daniel K.S. Lau

Mr K.W. Leung

Professor John C.Y. Ng

Dr Jeanne C.Y. Ng

Mr Ricky W.Y. Yu

Deputy Director/General, Lands Department

Ms. Karen P.Y. Chan

Deputy Director (1), Environmental Protection Department

Mr Elvis W.K. Au

Chief Engineer (Works), Home Affairs Department

Mr Martin W.C. Kwan

Chief Transport Engineer (Kowloon), Transport Department

Mr David C.W. Ngu

Director of Planning

Mr Raymond K.W. Lee

Deputy Director of Planning/District

Ms Jacinta K.C. Woo

Secretary

Absent with Apologies

Permanent Secretary for Development
(Planning and Lands)

Ms Bernadette H.H. Linn

Chairperson

Mr Lincoln L.H. Huang

Dr C.H. Hau

Mr Alex T.H. Lai

Ms Lilian S.K. Law

Professor Jonathan W.C. Wong

In Attendance

Assistant Director of Planning/Board

Miss Fiona S.Y. Lung

Chief Town Planner/Town Planning Board

Mr Kepler S.Y. Yuen

Senior Town Planner/Town Planning Board

Mr Alex C.Y. Kiu

1. As the Chairperson was on leave, the Meeting was chaired by the Vice-Chairperson.

Agenda Item 1

Confirmation of Minutes of the 1188th Meeting held on 9.11.2018

[Open meeting] [The item was conducted in Cantonese.]

2. The minutes of the 1188th meeting dated 9.11.2018 were confirmed without amendments.

Agenda Item 2

Matters Arising

Consideration of Representations and Comments on the Draft Tuen Mun Outline Zoning Plan No. S/TM/34

[Open Meeting] [The item was conducted in Cantonese.]

3. The Secretary reported that the matters were related to the draft Tuen Mun Outline Zoning Plan (OZP) No. S/TM/34. The Town Planning Board (the Board) had completed the statutory procedures in relation to hearing of representations and comments, and decided on 26.10.2018 not to uphold the representations and that no amendment to the OZP would be proposed to meet the representations.

4. The amendments under the draft OZP involved rezoning of five pieces of government land for public housing developments by the Housing Department (HD), which was the executive arm of the Hong Kong Housing Authority (HKHA) and rezoning of a site to take forward the decision of the Rural and New Town Planning Committee (RNTPC) on a s.12A application (No. Y/TM/16) submitted by Fill Year Limited (R4361), a subsidiary of Sun Hung Kai Properties Limited (SHK). The following Members had declared interests on the item for being associated/having business dealings with HKHA/HD, AECOM Asia Company Limited (AECOM) (i.e. consultant of the 'Preliminary Development Review for Housing Sites at Tuen Mun Central – Feasibility Study' (the Study) supporting the proposed public housing developments conducted by the Civil Engineering and Development

Department (CEDD)), SHK, CLP Power Hong Kong Limited (R1149), a subsidiary of CLP Holdings Limited (CLP), Hong Kong and China Gas Co Ltd (HKCG) (R4373), a subsidiary of Henderson Land Development Co. Ltd. (HLD), Senworld Investment Limited (R4360), a subsidiary of Kerry Properties Limited (Kerry), Mass Transit Railway Corporation Limited (MTRCL) (R4374), Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) (R1141) and/or Ms Mary Mulvihill (R124/C2860) :

- Mr Raymond K.W. Lee
(as Director of Planning) - being a member of the Strategic Planning Committee (SPC) and Building Committee of HKHA

- Mr Martin W.C. Kwan
(as Chief Engineer (Works), Home Affairs Department) - being a representative of the Director of Home Affairs who was a member of SPC and the Subsidised Housing Committee of HKHA

- Professor S.C. Wong
(Vice-Chairperson) - having current business dealings with AECOM, being the traffic consultant/engineering consultant of AECOM and being the Chair Professor of Hong Kong University (HKU) which had obtained sponsorship from SHK on some activities of the Department before, being employee of HKU which had received a donation from a family member of the Chairman of HLD before, and being a member of the Advisory Committee for Accredited Programme of MTR Academy

- Mr Ivan C.S. Fu - having current business dealings with AECOM, SHK, HLD and MTRCL, and past business dealings with HKHA

- Mr Peter K.T. Yuen - being a Member of the Board of Governors of the Arts Centre, which had collaborated with the MTRCL on a number of arts projects, and

had received a donation from an Executive Director of HLD before

- Dr Lawrence W.C. Poon his spouse being an ex-employee of Kerry and a current employee of HD but not involved in planning work
- Mr K.K. Cheung] their firm having current business dealings with
Mr Alex T.H. Lai] HKHA, SHK, Kerry, CLP, HKCG and MTRCL, and hiring Mary Mulvihill on a contract basis from time to time
- Dr C.H. Hau - having current business dealings with AECOM and the institute he served having current business dealings with HKHA and being an employee of HKU which had received a donation from a family member of the Chairman of HLD before
- Mr Thomas O.S. Ho - having current business dealings with HKHA, SHK and MTRCL, and past business dealings with AECOM
- Dr Lawrence K.C. Li - being the Treasurer of the Hong Kong Polytechnic University which had obtained sponsorship from HLD before; and his relative being a member of DAB
- Miss Winnie W.M. Ng - being a Director of the Kowloon Motor Bus Co. (1933) Ltd. and SHK was one of the shareholders

- | | | |
|--------------------|---|--|
| Mr Franklin Yu | - | having past business dealings with HKHA, AECOM, SHK, HLD and MTRCL, and his spouse being an employee of SHK |
| Mr Daniel K.S. Lau | - | being an ex-Director (Development and Marketing) of Hong Kong Housing Society, which was in discussion with HD on housing development issues |
| Dr Jeanne C.Y. NG | - | being the Director of Group Sustainability of CLP |

5. The meeting noted that Dr C.H. Hau and Mr Alex T.H. Lai had tendered apologies for not being able to attend the meeting. As the item was procedural in nature and no discussion was required, the other Members above were allowed to stay in the meeting.

6. The Secretary reported that editorial omissions/errors were spotted in an index table of representations attached in Annex Va of TPB Paper No. 10449. The table, which summarized the major grounds and responses to individual representations, was prepared for easy cross-reference. All original submissions of representations and comments had been provided for Members' consideration, and all grounds and responses had been covered in the main paper. For the purpose of official record and preparation of submission to the Chief Executive in Council, the index table had been rectified and the rectified version would also be uploaded to the Board's website to replace the previous version attached to the paper.

7. Members noted the above rectification.

Tsuen Wan & West Kowloon District

Agenda Item 3

Review of Application No. A/K5/793

Proposed Hotel in “Residential (Group A) 8” Zone, 452 Castle Peak Road, Cheung Sha Wan, Kowloon

(TPB Paper No. 10496)

[Open Meeting (Presentation and Question Sessions only)]

[The meeting was conducted in Cantonese.]

Declaration of Interests

8. The Secretary reported that the following Members had declared interests in the item :

- | | | |
|------------------|---|--|
| Dr F.C. Chan | - | jointly owning with his spouse a flat and solely owning a flat in Sham Shui Po |
| Mr K.K. Cheung |] | their firm having current business dealings with the |
| Mr Alex T.H. Lai |] | applicant and its representatives |

9. The meeting noted that Mr Alex T.H. Lai had tendered apologies for not being able to attend the meeting. As the properties of Dr F.C. Chan were far away from and had no direct view of the application site (the Site), he was allowed to stay in the meeting. As Mr K.K. Cheung had no involvement in the subject application, his interest was indirect and he was allowed to stay at the meeting.

Presentation and Question Sessions

10. The following representatives from the Planning Department (PlanD) and the applicant were invited to the meeting :

Planning Department

Mr Derek W.O. Cheung - District Planning Officer/Tsuen Wan & West Kowloon
(DPO/TWK), PlanD

Ms Katy C.W. Fung - Senior Town Planner/Sham Shui Po
(STP/SSP), PlanD

AWJC Associates Limited

Mr Anthony C.S. Wong]

]

Mr Norman W.C. Yiu] Applicant's Representatives

]

Mr Felix K.Y. Lo]

11. The Vice-Chairperson extended a welcome to the representatives of PlanD and the applicant, and briefly explained the procedures of the review hearing. He then invited PlanD's representatives to brief Members on the review application.

12. With the aid of a PowerPoint presentation, Ms Katy C.W. Fung, STP/SSP briefed Members on the background of the review application including the consideration of the application by the Metro Planning Committee (MPC) of the Town Planning Board (the Board), minor changes to the proposed development at the s.17 review stage, departmental and public comments, and planning considerations and assessments as detailed in TPB Paper No. 10496 (the Paper).

[Mr Stephen L.H. Liu, Mr Franklin Yu and Mr L.T. Kwok arrived to join the meeting during PlanD's presentation.]

13. The Vice-Chairperson then invited the applicant's representatives to elaborate on the review application.

14. With the aid of a PowerPoint presentation, Mr Felix K.Y. Lo, the applicant's representative, made the following main points :

- (a) the Site was currently occupied by a 4-storey tenement building, which was very old and worn out. It would not be beneficial to the cityscape to let the building continue to deteriorate without any renovation or redevelopment. The applicant had considered various redevelopment options;
- (b) option 1 was to redevelop the Site into a 6-storey residential development with a single staircase. While it was technically feasible, the total gross floor area (GFA) upon redevelopment would only be 321.96 m². The applicant did not consider it a viable option;
- (c) option 2 was to redevelop the Site into a 11-storey residential development. This would not be viable as the site coverage (SC) of the residential floors would be restricted to 42% under the Building (Planning) Regulations (B(P)R), which translated to 43.34 m² of GFA per floor only. After deducting the minimum area of 42.75 m² required for the service core, there would only be 0.59 m² of habitable floorspace on each floor;
- (d) the proposed boutique hotel development under application, with a total GFA of 921 m² and providing 38 guest rooms for a maximum of 76 guests, was the only feasible and sensible redevelopment option;
- (e) the applicant had submitted a traffic impact assessment (TIA) to address the concerns of the Transport Department (TD) and the public comments on the application. Since the district was well served by public transport, car parking provision was considered not necessary. Loading/unloading activities would be carried out at Tsap Fai Street with goods transported to the Site via the backlane;
- (f) all government departments concerned had no objection to/comment on the application, while the Commissioner for Tourism supported the application;
- (g) the applicant would implement appropriate mitigation measures during redevelopment to address the public comments on public safety and

construction nuisance. Besides, the Buildings Department (BD)'s approval would be required to ensure the safety of the redevelopment works;

- (h) sub-divided flats and unlicensed guesthouses were commonly found in the district, creating fire safety and other problems. The proposed hotel was targeted at budget travellers, who might otherwise have to stay in those inferior accommodation;
- (i) the proposed hotel development would provide two guest rooms for disabled persons, which was a benefit to the society. It would also bring vitality and diversity to the area;
- (j) there were less than 10 occupants in the existing building. Even if the Site were to be redeveloped into a 6-storey residential building, it could accommodate about 23 persons only. Hence, the proposed hotel development would bring about minimal to no loss of residential floorspace;
- (k) the applicant noticed that most "Commercial/Residential" ("C/R") zones on the Wan Chai OZP were rezoned to "Commercial" ("C") in 2010. Therefore, PlanD's argument on shortage of housing land supply was not convincing. The Government should address the housing shortage problem through other initiatives currently under discussion; and
- (l) the Board should be fair to small owners by allowing flexibility in redevelopment.

15. Mr Norman W.C. Yiu, the applicant's representative, made the following main points :

- (a) Hong Kong was a small place and did not need well-defined zoning like other big countries where places were separated by great distances. Planning should be forward-looking, and mixed use with hotel development in residential neighbourhood should be allowed to provide more interaction among the various landuses in the district;

- (b) the housing land supply issue should be addressed through the Chief Executive's initiatives. The Site, with an area of merely 100 m², could not help much in this regard; and
- (c) if the application was not approved, the applicant would retain the existing building on-site, which was an eyesore to the public.

16. Mr Anthony C.S. Wong, the applicant's representative, supplemented the following main points :

- (a) it was unfair and overly idealistic to expect small owners to amalgamate sites for redevelopment, since they did not have the financial resources to do so. Small owners should not be forced to amalgamate their land with the big developers', but should be given the freedom to redevelop on their own;
- (b) hotel used to be treated as domestic use under the relevant legislations until recent decades. There was no compatibility problem between hotel and residential use. There was also no restriction on tenancy and locals could stay in hotels instead of sub-divided flats if they wished to. The sub-divided flats problem was created by the numerous existing legislations which precluded sub-division of flats. The proposed hotel, in full compliance with the relevant legislations, particularly the fire safety regulations, could provide an alternative to meet the demand for small living units instead of sub-divided flats; and
- (c) every district or site had its specific characteristics and needs. Our society would come to a halt if everything was based on precedent. Appropriate development should be allowed even if it would set a precedent. In the present case, PlanD was the only department objecting to the application, and the rejection ground of setting a precedent was questionable.

17. As the presentations from PlanD's and the applicant's representatives had been completed, the Vice-Chairperson invited questions from Members.

The Site and its Surroundings

18. Some Members had the following questions :
- (a) the completion year of the existing buildings at the Site and its surrounding, and their ownership pattern;
 - (b) the conditions of the existing building at the Site, including any structural problems faced by the applicant;
 - (c) whether the three newer buildings in the vicinity of the Site, Hong Lee Building, Yiu Fai Mansion and One New York, were redeveloped through site amalgamation;
 - (d) the development status of the “Other Specified Uses” annotated “Hotel” (“OU(Hotel)”) site to the east of the Site; and
 - (e) the location of the nearest hotel to the Site.
19. In response, Mr Derek W.O. Cheung, DPO/TWK made the following main points :
- (a) the existing building at the Site was 68 years old, while the five buildings to its immediate west were 59 to 77 years old. Hong Lee Building to its immediate east was 39 years old, and One New York and Yiu Fai Mansion were 11 and 29 years old respectively. Buildings in the remainder of the street block were mostly around and over 60 years old. Most of the buildings adjoining the Site, except 454 Castle Peak Road which was under single ownership, were under multiple ownership;
 - (b) the existing building at the Site was in fair conditions. The ground floor was occupied by an internet café, while the upper floors were for domestic use;

- (c) while there was no information at hand on the buildings' ownership and land status prior to the present developments of Hong Lee Building, Yiu Fai Mansion and One New York, it was reasonably believed that they were likely redeveloped through amalgamation of smaller tenement building sites;
- (d) the "OU(Hotel)" site was the subject of an approved s.12A application for in-situ conversion of the existing commercial building for hotel use. The approved scheme for hotel development was not pursued, however; and
- (e) there was no licensed hotel in Cheung Sha Wan. However, there were 21 licensed guesthouses providing 399 units in the area.

20. Mr Anthony C.S. Wong advised that the existing building on-site had been sub-divided for short-stay travellers. He supplemented that while the building had no structural safety problem, its facilities such as water supply and drainage pipes were old and beyond improvement to keep up with the current standards. Redevelopment was the only option. Therefore, the applicant intended to fully utilize the land resources to help relieve the housing shortage.

Hotel or Residential Use

21. Some Members had the following questions :

- (a) whether the applicant had experience in running hotel(s), particularly such a small hotel under application;
- (b) in light of the applicant's presentation that the proposed hotel would serve those living in sub-divided flats, and bearing in mind that sub-divided flats and hotels were serving two totally different groups of persons, whether the applicant was actually pursuing hotel development or residential development or both;
- (c) whether the applicant was of the view that hotel and residential uses were the same; and

- (d) if the applicant was pursuing residential instead of hotel use, what was the purpose of applying for hotel development in the first place.

22. In response, Mr Anthony C.S. Wong made the following points :

- (a) the applicant would deal with hotel management matter upon obtaining planning approval. There were many guesthouses or small hotels in the market, many of which were well-managed;
- (b) Hong Kong had a lot of short-term visitors who could stay in the proposed hotel rather than sub-divided flats which would give visitors a bad image about the territory;
- (c) hotel and residential developments were only different under the context of the Government's legislations. Both hotel and residential developments were providing accommodation space for people, be they locals or travellers. As long as the provision was legal and proper, the terminology should not be a concern; and
- (d) it was not possible to screen locals from visitors. There was no legislation restricting hotel operators to rent their rooms to overseas visitors only. The applicant was merely proposing to provide suitable habitable space for persons seeking budget accommodation. Since residential development was not feasible at the Site, the applicant had to apply for hotel development to address the housing needs of the district and the society.

23. Mr Norman W.C. Yiu supplemented that residential development at the Site was technically not feasible due to the small area of the Site and the 42% SC requirement under the B(P)R. The proposed hotel development was the only feasible redevelopment option to the applicant because the SC requirement for non-domestic uses was 60% which would result in a floor plate large enough to generate a meaningful amount (200 to 300 ft²) of habitable floorspace.

24. Following on the applicant's responses, a Member enquired about the planning requirements for residential use, hotel and service apartment. In response, Mr Derek W. O. Cheung, DPO/TWK clarified that the three uses were different from each other, particularly in terms of plot ratio (PR) and SC requirements. He pointed out that there were abuses on "service apartment" in the past whereby some service apartment developments, developed in the name of hotel at a higher non-domestic PR, were sold as residential developments upon completion. There were subsequent discussions in the Board about such abuses, and the term "service apartment" was eventually taken out from the Board's Revised Master Schedule of Notes. Therefore, he cautioned against mixing up residential use with hotel use, which might lead to similar abuses.

25. A Member enquired whether there was any discussion during the MPC as to whether the provision of tiny rooms of about 7 m² only was beneficial to the society or not. Mr Derek W. O. Cheung, DPO/TWK responded that there had been no discussion on this aspect at the MPC in the past.

[Miss Winnie W.M. Ng temporarily left the meeting during the Question and Answer session.]

26. As Members had no further question to raise, the Vice-Chairperson said that the hearing procedure for the review application had been completed. The Board would further deliberate on the review application in the absence of the applicant. The Vice-Chairperson thanked the representatives from PlanD and the applicant for attending the meeting, and they left the meeting at this point.

Deliberation Session

27. While some Members expressed sympathy for the applicant's situation in that redevelopment/renovation was difficult for small owners, Members generally agreed that there was no strong justification to support the application based on the following consideration :

- (a) hotel and residential developments were different uses with different requirements and regulations. However, from the applicant's presentation

and answers to Members' questions, the applicant was of the view that hotel was essentially residential use under a different name;

- (b) by referencing to the proposed hotel as being able to address the housing demand, the applicant made it quite explicit that the proposed hotel was intended for residential use;
- (c) it was technically feasible, albeit not optimal, to redevelop the existing 4-storey building into a 6-storey residential building. The application seemed to be an attempt to maximize the GFA, and hence economic return of the Site, rather than a genuine hotel proposal. Approval of the application would encourage similar applications;
- (d) the proposed hotel development, without back-of-house facilities, might not be a bona fide hotel; and
- (e) the Site was small and redevelopment on its own, regardless of the type of development, was neither satisfactory nor beneficial to the society. Piecemeal redevelopment of similar small sites in the district would result in undesirable urban environment with small-scale infill buildings.

28. Some Members noted that most buildings in the subject street block were around and over 60 years old, and residential redevelopment of small sites like this on their own might not be financially viable. Coupled with the applicant's accusation that site amalgamation was unfair to small owners, they suggested that consideration should be given to either formulating new policy initiatives to facilitate site amalgamation by small owners or inviting the Urban Renewal Authority (URA) to step in for comprehensive redevelopment of the area.

29. In response, Mr Raymond K.W. Lee, Director of Planning advised that URA was currently carrying out a comprehensive study to develop a new approach and strategy for urban renewal in view of the territory's aging building stock. The study area included Yau Ma Tei and Mong Kok where over 50% of the buildings were over 50 years old. He also took the opportunity to explain the differences between hotel and residential uses under the

Buildings Ordinance (BO), the Town Planning Ordinance (the Ordinance) and the lease aspects. Residential use was a domestic use while hotel use could be regarded as a non-domestic use that might have a higher PR and SC under BO. As far as the Ordinance was concerned, development/redevelopment should not result in a domestic PR exceeding 7.5 or a total PR exceeding 9.0 under the “R(A)8” zoning on the Cheung Sha Wan OZP. The lease of the Site was an unrestricted lease. Besides, there were licencing requirements for hotel use.

30. A Member pointed out that the proposal was not a genuine hotel use. Some Members considered that the Site should be amalgamated with adjoining lots for redevelopment into residential use to achieve a satisfactory layout.

31. The Vice-Chairperson summed up the discussion and concluded that the review application should be rejected. Since the applicant had submitted a TIA which was acceptable to TD, rejection reason (b) at the s.16 stage was no longer applicable.

32. After deliberation, the Board decided to reject the application on review and the reasons were as follows :

- “(a) the applied use is not in line with the planning intention of the “R(A)8” zone which is for high-density residential developments. The site is located in a predominantly residential neighbourhood. Given the current shortfall in housing supply, the Site should be developed for its zoned use. The proposed hotel development would result in reduction of sites for residential developments, in particular for site amalgamation, which would affect the supply of housing land in meeting the pressing housing demand over the territory; and
- (b) approval of the application would set an undesirable precedent for similar applications in the area. The cumulative effect of approving such applications would aggravate the shortfall in the supply of housing land. ”

[The meeting was adjourned for a 5-minute break.]

Agenda Item 4

Review of Application No. A/K5/796

Proposed Office Building with Shop and Services in “Residential (Group A) 6” Zone, 269
Lai Chi Kok Road, Kowloon

(TPB Paper No. 10497)

[Open Meeting (Presentation and Question Sessions only)]

[The meeting was conducted in Cantonese.]

Declaration of Interests

33. The Secretary reported that the following Members had declared interests in the item :

Dr F.C. Chan - jointly owning with his spouse a flat and solely owning a flat in Sham Shui Po

Mr K.K. Cheung] their firm having current business dealings with the
Mr Alex T.H. Lai] applicant and its representatives

34. The meeting noted that Mr Alex T.H. Lai had tendered apologies for not being able to attend the meeting. As the properties of Dr F.C. Chan were far away from and had no direct view of the application site (the Site), he was allowed to stay in the meeting. As Mr K.K. Cheung had no involvement in the subject application, his interest was indirect and he was allowed to stay at the meeting.

Presentation and Question Sessions

35. The following representatives from the Planning Department (PlanD), the applicant and her representatives were invited to the meeting :

Planning Department

Mr Derek W.O. Cheung - District Planning Officer/Tsuen Wan & West Kowloon
(DPO/TWK), PlanD

Ms Katy C.W. Fung - Senior Town Planner/Sham Shui Po
(STP/SSP), PlanD

Applicant

Ms S.H. Yeung - Applicant

Thomas Tsang Surveyors Limited

Mr Thomas K.K. Tsang] Applicant's Representatives

Mr H.F. Wong]

36. The Vice-Chairperson extended a welcome to the Government's representatives, the applicant and her representatives, and briefly explained the procedures of the review hearing. He then invited PlanD's representatives to brief Members on the review application.

37. With the aid of a PowerPoint presentation, Ms Katy C.W. Fung, STP/SSP briefed Members on the background of the review application including the consideration of the application by the Metro Planning Committee (MPC) of the Town Planning Board (the Board), departmental and public comments, and planning considerations and assessments as detailed in TPB Paper No. 10497 (the Paper).

38. The Vice-Chairperson then invited the applicant to elaborate on the review application.

39. With the aid of a visualizer, Mr Thomas K.K. Tsang, the applicant's representatives, made the following points :

- (a) while the applicant was aware of the planning intention of the Site for residential use, high-rise residential redevelopment of the Site was not viable as there would only be 1.96 m² of habitable floorspace on each residential floor after deducting the service core. The applicant had the intention to amalgamate the Site with adjoining lots for residential redevelopment, but difficulties like fragmented ownership of the adjoining buildings were hard to overcome;

- (b) land was an important resource and should be well-utilized. The applicant could build a 3-storey commercial building at the Site as of right, but this would not be beneficial to the society. On the other hand, the proposed office development could provide eight office floors on top of 3 storeys of shops. There would be about 400 ft² of usable floorspace on each office floor after deduction of the service core;
- (c) there was a strong demand for small office premises in Sham Shui Po, which had often been neglected. This resulted in a lot of illegal small businesses in residential buildings in the district. Merit Commercial Building opposite to the Site across Lai Chi Kok Road was one of the few examples providing proper small office premises at affordable rent to small businesses like tutorial schools and construction companies;
- (d) the recently approved office development at Castle Peak Road (the Garden Bakery site) cited by PlanD in the presentation was positioned as a prestigious, upmarket office building with monthly rental of about \$50/ft², which would not be affordable to small businesses. On the contrary, the applicant's office development proposal was targeted at small businesses which could only afford a monthly rental of around \$20/ft². The cheap rent could assist youngsters to start up their own businesses;
- (e) the proposed office development would not affect natural lighting of surrounding buildings as the building plans would need to comply with the Buildings Ordinance;
- (f) most government departments concerned had no objection to/comment on the application. The Transport Department (TD) did not support the application as no traffic impact assessment (TIA) had been submitted to demonstrate that there was no adverse traffic impact from the proposed office development. To that end, the District Officer (Sham Shui Po), Home Affairs Department considered that such a small office building would not cause significant traffic impact on Lai Chi Kok Road which had ample traffic

capacity. The applicant would carry out the relevant technical assessments, including the very expensive TIA and drainage assessments, etc. upon obtaining planning approval; and

- (g) the Merit Commercial Building mentioned above had an even smaller site area than the Site. Therefore, the applicant did not agree with the Town Planning Board Guidelines No. 5 (TPB PG-No.5) that the Site was too small for a properly designed office building.

40. As the presentations from PlanD's and the applicant's representative had been completed, the Vice-Chairperson invited questions from Members.

41. Some Members had the the following questions :

- (a) the present conditions of the Site;
- (b) the age and ownership pattern of the existing buildings in the subject street block, particularly those adjoining the Site; and
- (c) the MPC's discussion at the s.16 stage, if any, on some of the issues raised by the applicant, particularly the supply of small office premises for small businesses, and the difficulties in amalgamation of the Site with its adjoining lots.

42. Mr Thomas K.K. Tsang responded that the Site was currently vacant, but often being used by the neighbouring hardware store as a dumping ground. The applicant was therefore anxious to redevelop the Site to get rid of the illegal dumping problem.

43. Mr Derek W.O. Cheung made the following points :

- (a) most of the buildings in the subject street block were over 50 years old, and the buildings adjoining the Site were under fragmented ownership;

- (b) according to the minutes of the MPC meeting, there had been no discussion on the need to meet the demand for small office premises for small businesses; and
- (c) there was discussion in the MPC meeting regarding the possibility of site amalgamation. The MPC was also aware of the old age and fragmented ownership of the adjoining buildings.

44. As Members had no further question to raise, the Vice-Chairperson said that the hearing procedure for the review application had been completed. The Board would further deliberate on the review application in the absence of the applicant. The Vice-Chairperson thanked PlanD's representatives, the applicant and her representatives for attending the meeting, and they left the meeting at this point.

Deliberation Session

45. A Member was sympathetic to the applicant in view that the adjoining buildings which were under multiple ownership and therefore might be difficult to amalgamate with the Site for redevelopment. He was also worried that the Site would continue to be a dumping ground if the application were not approved and the environmental conditions would be worsened. He pointed out that many small businesses traditionally conglomerated in Sham Shui Po, and the existence of a commercial building right across Lai Chi Kok Road did give the applicant an expectation for similar scale office development at the Site.

46. A Member pointed out that Merit Commercial Building was developed some 50 years ago, well before the first statutory plan for Cheung Sha Wan, under the planning circumstances at the time. It should not be taken as a precedent.

47. Some Members had the following general observations :

- (a) ownership pattern of buildings/sites should not be given too much weight in considering applications as it would be subject to change. Owners should

be aware of the limited development potential when they bought these tenement buildings;

- (b) amalgamation of sites for redevelopment was always difficult in Hong Kong, particularly in the old districts, and planning applications should not be approved purely because of such difficulties. The area was very old and there was a need to speed up its redevelopment from the land supply shortage perspective. It might be suitable for comprehensive redevelopment by the Urban Renewal Authority (URA). It was noted that the URA was studying to develop a new approach and strategy for urban renewal;
- (c) the regulations governing building maintenance were quite stringent, and maintenance of old buildings was expensive. Therefore, many owners would demolish their buildings to avoid the maintenance liability altogether. If planning applications were approved because the application sites were vacant, more owners would demolish their buildings in anticipation of easy approval;
- (d) supply of office space for small businesses was a market decision. There were sufficient provisions under the “Residential (Group A) 6” zoning to cater for the needs of small businesses as “Office” and other commercial uses were always permitted on the lowest three floors of a building;
- (e) planning intention was an important consideration, and the Board should spell out clearly its desire for a better cityscape; and
- (f) the precedent/cumulative effect on the housing land supply of approving the application and similar applications should not be underestimated as there would be cross-district implications. It was noted that the application was quite similar to application No. A/K5/793 considered at the same meeting.

48. A Member pointed out that redevelopment of the Site for residential use at a lower building height (say, six storeys) was possible. There was no merit in the application, and it appeared that the applicant was merely after the higher non-domestic plot ratio of office

development. Another Member noted that there were structures/objects projecting from the adjoining buildings into the Site. The proposed office development, at 11 storeys high, would also block some of the windows of the adjoining buildings.

49. Members generally agreed that there was no strong justification to approve the application on review. Noting that there was no significant change in planning circumstances since the rejection of the s.16 application by MPC, the Vice-Chairperson was of the view that MPC's rejection reasons were still valid. Members agreed.

50. After deliberation, the Board decided to reject the application on review and the reasons were as follows :

- “(a) the applied use is not in line with the planning intention of the “R(A)6” zone which is for high-density residential developments. The Site is located in a predominantly residential neighbourhood. Given the current shortfall in housing supply, the Site should be developed for its zoned use. The proposed office building with shop and services would result in reduction of sites for residential developments, which would affect the supply of housing land in meeting the pressing housing demand over the territory;
- (b) the proposed development does not comply with the Town Planning Board Guidelines No. 5 for Application for Office Development in Residential (Group A) Zone under Section 16 of the Town Planning Ordinance (TPB PG-No.5) as the application site is considered too small for a properly designed office building, the proposed development is considered incompatible with the surroundings which is a predominantly residential area, and the submission fails to demonstrate that the proposed development would not generate adverse traffic impact on the surrounding areas; and
- (c) approval of the application would set an undesirable precedent for similar applications in the area. The cumulative effect of approving such applications would aggravate the shortfall in the supply of housing land.”

[Mr Stephen H.B. Yau left the meeting during the Deliberation session.]

[Miss Winnie W.M. Ng returned to the meeting at this point.]

Procedural Matters

Agenda Item 5

Submission of Draft Siu Ho Wan Outline Zoning Plan No. S/I-SHW/1A under Section 8 of the Town Planning Ordinance to the Chief Executive in Council for Approval

(TPB Paper No. 10497)

[Open Meeting] [The item was conducted in Cantonese.]

Declaration of Interest

51. The Secretary reported that the draft Siu Ho Wan Outline Zoning Plan No. S/I-SHW/1 (the draft OZP) involved a site proposed for columbarium development and a topside development of Siu Ho Wan Depot. The Mass Transit Railway Corporation Limited (MTRCL) (C1) was the current occupier and operator of the depot. Ove Arup and Partners Hong Kong Limited (Arup) and AECOM Asia Company Limited (AECOM) were two of the consultants of MTRCL for the proposed comprehensive development. The following Members had declared interests on the item for having affiliation/business dealings with Private Columbaria Licensing Board (PCLB), Private Columbaria Appeal Board (PCAB), MTRCL (C1), Arup, AECOM and/or Ms Mary Mulvihill (R119/C9) :

Professor S.C. Wong (Vice-chairperson) - being a member of the Advisory Committee for Accredited Programme of MTR Academy, being a traffic consultant/engineering consultant of AECOM and Arup, and having current business dealings with Arup and AECOM

Mr Lincoln L.H. Huang - being a member of PCAB

- Mr H.W. Cheung - being a member of PCLB
- Mr Ivan C.S. Fu - being a member of PCAB, and having current business dealings with MTRCL, Arup and AECOM
- Mr Sunny L.K. Ho - being a member of PCAB
- Mr Peter K.T. Yuen - being a Member of the Board of Governors of the Arts Centre, which had collaborated with the MTRCL on a number of arts projects
- Mr K.K. Cheung - his firm having current business dealings with MTRCL and Arup, and hiring Ms Mary Mulvihill on a contract basis from time to time
- Dr C.H. Hau - having current business dealings with AECOM
- Mr Thomas O.S. Ho - having current business dealings with MTRCL and AECOM
- Mr Alex T.H. Lai - being a past member of PCAB, and his firm having current business dealings with MTRCL and Arup, and hiring Ms Mary Mulvihill on a contract basis from time to time
- Mr Stephen L.H. Liu - having past business dealings with MTRCL
- Mr Franklin Yu - having past business dealings with MTRCL, Arup and AECOM

52. The meeting noted that Mr Lincoln L.H. Huang, Dr C.H. Hau and Mr Alex T.H. Lai had tendered apologies for not being able to attend the meeting. As the item was procedural in nature and no discussion was required, the other Members were allowed to stay in the meeting.

53. The Secretary briefly introduced the TPB Paper No. 10498 (the Paper). On 29.3.2018, the draft Siu Ho Wan OZP No. S/I-SHW/1 was exhibited for public inspection under section 5 of the Town Planning Ordinance (the Ordinance). A total of 144 valid representations and 10 valid comments on the representations were received. After giving consideration to the representations and comments under section 6B(1) of the Ordinance on 26.10.2018, the Town Planning Board (the Board) decided not to propose any amendment to the draft OZP to meet the representations under section 6B(8) of the Ordinance. Since the representation consideration process had been completed, the draft OZP was ready for submission to the Chief Executive in Council (CE in C) for approval.

54. After deliberation, the Board :

- (a) agreed that the draft Siu Ho Wan OZP No. S/I-SHW/1A and its Notes at Annexes I and II of the Paper respectively were suitable for submission under section 8 of the Ordinance to the CE in C for approval;
- (b) endorsed that the updated Explanatory Statement (ES) for the draft Siu Ho Wan OZP No. S/I-SHW/1A at Annex III of the Paper as an expression of the planning intention and objectives of the Board for the various land-use zonings on the draft OZP and issued under the name of the Board;
- (c) agreed that the updated ES was suitable for submission to the CE in C together with the draft OZP.

Agenda Item 6

[Closed Meeting]

55. The item was recorded under confidential cover.

Agenda Item 7

Any Other Business

[Open Meeting] [The item was conducted in Cantonese.]

56. There being no other business, the meeting was closed at 11:15 a.m.