

**Minutes of the 1220th Meeting of the
Town Planning Board held on 17.4.2020**

Present

Permanent Secretary for Development
(Planning and Lands)

Ms Bernadette H.H. Linn

Chairperson

Mr Lincoln L.H. Huang

Vice-Chairperson

Mr Wilson Y.W. Fung

Dr Frankie W.C. Yeung

Mr Peter K.T. Yuen

Mr Philip S.L. Kan

Dr Lawrence W.C. Poon

Mr K.K. Cheung

Dr C.H. Hau

Mr Alex T.H. Lai

Dr Lawrence K.C. Li

Professor T.S. Liu

Miss Winnie W.M. Ng

Ms Sandy H.Y. Wong

Mr Franklin Yu

Mr Stanley T.S. Choi

Mr Daniel K.S. Lau

Ms Lilian S.K. Law

Mr K.W. Leung

Professor John C.Y. Ng

Dr Jeanne C.Y. Ng

Professor Jonathan W.C. Wong

Mr Ricky W.Y. Yu

Dr Roger C.K. Chan

Dr Venus Y.H. Lun

Mr C.H. Tse

Mr Conrad T.C. Wong

Mr Y.S. Wong

Principal Assistant Secretary (Transport) 3
Transport and Housing Bureau
Mr Andy S.H. Lam

Chief Engineer (Works), Home Affairs Department
Mr Gavin C.T. Tse

Deputy Director of Environmental Protection (1)
Environmental Protection Department
Mr Elvis W.K. Au

Assistant Director (Regional 1), Lands Department
Mr Simon S.W. Wang

Director of Planning
Mr Ivan M.K. Chung

Deputy Director of Planning/District
Miss Fiona S.Y. Lung

Secretary

Absent with Apologies

Mr Stephen L.H. Liu

Mr Thomas O.S. Ho

Mr L.T. Kwok

In Attendance

Assistant Director of Planning/Board

Ms Lily Y.M. Yam

Chief Town Planner/Town Planning Board

Ms Caroline T.Y. Tang

Senior Town Planner/Town Planning Board

Miss Anissa W.Y. Lai

Welcoming Remarks

1. The Chairperson said that it was the first meeting of the Town Planning Board (the Board) for the term 2020-22. She thanked Mr Lincoln L.H. Huang for continuing to offer his generous service on the Board by taking up the appointment as the Vice-chairperson. She then introduced five new Members, Dr Roger C.K. Chan, Dr Venus Y.H. Lun, Messrs C.H. Tse, Conrad T.C. Wong and Y.S. Wong, and extended a welcome to them.

Agenda Item 1

[Open Meeting]

Confirmation of Minutes of the 1219th Meeting held on 27.3.2020

[The item was conducted in Cantonese.]

2. The minutes of the 1219th meeting held on 27.3.2020 were confirmed without amendments.

Agenda Item 2

Matters Arising

[The item was conducted in Cantonese.]

(i) and (ii) [Confidential Items] [Closed Meeting]

3. The two items were recorded under confidential cover.

[Mr Franklin Yu arrived to join the meeting at this point.]

(iii) Town Planning Appeal Received

Town Planning Appeal No. 1 of 2020

Proposed House (New Territories Exempted House – Small House) in “Agriculture” Zone, Lot 310 S.C in D.D.9, Kau Lung Hang Village, Kau Lung Hang, Tai Po

Application No. A/NE-KLH/573

[Open Meeting]

4. The Secretary reported that a Notice of Appeal was received by the Appeal Board Panel (Town Planning) on 30.3.2020 against the decision of the Town Planning Board (the Board) on 10.1.2020 to reject on review an application No. A/NE-KLH/573 for proposed house (New Territories Exempted House (NTEH) – Small House) at Lot 310 S.C in D.D.9, Kau Lung Hang Village, Kau Lung Hang, Tai Po. The site was zoned “Agriculture” (“AGR”) on the approved Kau Lung Hang Outline Zoning Plan No. S/NE-KLH/11.

5. The application was rejected by the Board for the following reasons:

- (a) the proposed development was not in line with the planning intention of the “AGR” zone, which was primarily to retain and safeguard good quality agricultural land/farm/fish ponds for agricultural purposes. It was also intended to retain fallow arable land with good potential for rehabilitation for cultivation and other agricultural purposes. There was no strong planning justification in the submission for a departure from the planning intention; and
- (b) land was still available within the “Village Type Development” (“V”) zone of Yuen Leng and Kau Lung Hang which was primarily intended for Small House development. It was considered more appropriate to concentrate the proposed Small House development within the “V” zone for more orderly development pattern, efficient use of land and provision of infrastructure and services.

6. The hearing date of the appeal was yet to be fixed. The Secretary would act on behalf of the Board in dealing with the appeal in the usual manner.

(iv) Appeal Statistics
[Open Meeting]

7. The Secretary reported that as at 17.4.2020, a total of 13 cases were yet to be heard by the Appeal Board Panel (Town Planning). Details of the appeal statistics were as follows:

Allowed	:	36
Dismissed	:	162
Abandoned/Withdrawn/Invalid	:	203
Yet to be Heard	:	13
Decision Outstanding	:	1
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Total	:	415

Hong Kong District

Agenda Item 3

[Open Meeting (Presentation and Question Sessions only)]

Review of Application No. A/H21/151

Proposed Office, Shop and Services and Eating Place in “Residential (Group A)” Zone and an area shown as ‘Road’, 16-94 Pan Hoi Street and 983-987A King's Road, Quarry Bay, Hong Kong

(TPB Paper No. 10644)

[The item was conducted in Cantonese and English.]

8. The Secretary reported that the application site (the Site) was located in Quarry Bay. The application was submitted by Wealth First Limited, which was a joint venture of Henderson Land Development Company Limited (HLD) and Swire Properties Limited (Swire), with Jones Lang LaSalle Limited (JLL), MVA Hong Kong Limited (MVA) and Ronald Lu & Partners (Hong Kong) Limited (RLP) as three of the consultants. The following Members had declared interests on the item:

- Mr Thomas O.S. Ho - having current business dealings with Swire, MVA and RLP, and his firm having current business dealings with Swire and MVA; and owning a flat in Quarry Bay
- Mr K.K. Cheung - his firm having current business dealings with HLD, Swire, JLL and RLP
- Mr Alex T.H. Lai - his former firm having current business dealings with HLD, Swire, JLL, MVA and RLP
- Mr Stephen L.H. Liu - having past business dealings with HLD, Swire and RLP
- Mr Franklin Yu - having past business dealings with HLD and MVA
- Dr C.H. Hau - being an employee of the University of Hong Kong which had obtained a donation from a family member of the Chairman of HLD and Swire Trust before
- Dr Lawrence K.C. Li - being the deputy chairman of the Council of the Hong Kong Polytechnic University which had obtained sponsorship from HLD and Swire before
- Mr Peter K.T. Yuen - being a member of the Board of Governors of the Hong Kong Arts Centre which had received a donation from an Executive Director of HLD before

Mr Wilson Y.W. Fung]	
Mr Elvis W.K. Au]	co-owning with spouse or spouse owning a flat in
Mr Simon S. W. Wang]	Quarry Bay
Mr Y.S. Wong]	

9. Members noted that Messrs Thomas O.S. Ho and Stephen L.H. Liu had tendered apologies for being unable to attend the meeting. As Messrs K.K. Cheung, Alex T.H. Lai, and Franklin Yu had no involvement in the application, the properties of Messrs Wilson Y.W. Fung, Elvis W.K. Au, Simon S. W. Wang and Mr Y.S. Wong's spouse had no direct view of the Site, and the interests of Dr C.H. Hau, Dr Lawrence K.C. Li and Mr Peter K.T. Yuen were indirect, Members agreed that they could stay in the meeting.

Presentation and Question Sessions

10. The following representatives of the Planning Department (PlanD) and the applicant were invited to the meeting at this point:

Mr Louis K.H. Kau - District Planning Officer/Hong Kong (DPO/HK),
PlanD

Mr T.W. Ng - Senior Town Planner/Hong Kong (STP/HK),
PlanD

<i>Wealth First Limited</i>]	
Mr Kevin Ng]	
Dr Owen Yue]	
Mr Ernest Wong]	Applicant's Representatives
Ms Estelle Chan]	
Mr Caspar Woo]	
<i>Pro Plan Asia Limited</i>]	
Mr Emerson Li]	

11. The Chairperson extended a welcome and explained the procedure of the review hearing. She then invited PlanD's representative to brief Members on the review

application.

12. With the aid of a PowerPoint presentation, Mr T.W. Ng, STP/HK, PlanD, 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 for the review application as detailed in TPB Paper No. 10644 (the Paper).

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

[Dr Frankie W.C. Yeung arrived to join the meeting at this point.]

14. Dr Owen Yue, the applicant's representative showed a PowerPoint presentation with voice-over by Mr Phill Black. The main points were as follows :

- (a) Mr Black apologised for not being able to attend the meeting in person as he could not come back to Hong Kong due to the recent novel coronavirus pandemic;
- (b) the application was rejected by the MPC for the main reasons that (i) the proposed office development was not in line with the planning intention of the "Residential (Group A)" ("R(A)") zone; (ii) the applicant failed to provide sufficient justifications; and (iii) approval of the application would set an undesirable precedent;

Responses to rejection reason (i) on "Not in line with the Planning Intention"

- (c) the Site fell within an area zoned "R(A)" on the Outline Zoning Plan (OZP). According to the Notes of the OZP for "R(A)" zone, 'Office', 'Shop and Services' and 'Eating Place' uses on the upper floors of a development could be approved with or without conditions on application to the Board. The assessment criteria set out in the Town Planning Board Guidelines No. 5 (TPB-PG No.5) were relevant for consideration of the application. The

Board had approved eight similar applications for proposed office development in “R(A)” zone on Hong Kong Island since 2017;

Responses to rejection reason (ii) on “Insufficient Justifications”

- (d) the MPC failed to provide clear and sufficient reasons as to why the applicant’s justifications were found insufficient. While the applicant had submitted a planning statement providing detailed justifications, the MPC did not take into account the four planning concerns, including compliance with TPB-PG No.5, special site circumstances, unique context and relevant planning history;
- (e) the application fully complied with TPB-PG No.5 and was justified in that commercial use would help reduce population density in Quarry Bay, the planning gains under the current proposal would not be materialised under a residential development, the proposal would provide pedestrian connections to the existing elevated network and enhance the overall public connectivity in the area, approval of the application would not set an undesirable precedent and no adverse impact would be resulted;
- (f) the MPC relied on the Hong Kong 2030+’s long term forecast of a surplus of Grade A office floorspace at non-Central Business District (non-CBD) areas as the basis of office demand forecast even though the applicant had submitted a Property Research Report conducted by JLL to support the application. The Hong Kong 2030+ which was based on the Land Requirement Study for Grade A Offices undertaken in 2014/15 was outdated. The report published by the Task Force on Land Supply in December 2018 also indicated that the overall economic land demand of Hong Kong should exceed the projection under Hong Kong 2030+. The proposed office development under the subject application was expected to be completed in 2025, which could help meet the office demand in the short/medium term;
- (g) the application was justified on the special circumstances of the Site. An application for proposed office development in a “R(A)” site at Anton Street

which was located adjacent to Admiralty (within a walking distance of about 350m) and could provide about 3.6 million ft² net floor area of office space was approved by the Board in November 2018. The Site, which was directly opposite to a well-established non-core CBD in Taikoo Place (within a walking distance of about 220m) providing over 5.2 million ft² net floor area of office space, was comparable to the circumstances of the Anton Street case. However, the MPC failed to consider the unique location and special circumstances of the Site;

- (h) the Site was within the same band of commercial extension south of Pan Hoi Street with the landmark One Island East. The Site could allow direct connection to Taikoo Place. There was currently no other potential site for office use in the area. The two residential developments adjoining the Site were well established and the residents there were adapted to the surrounding business environment. The number of public comments received on the current application (17 and 43 at the s.16 application stage and s.17 review stage respectively) was less than that received on the application at Anton Street (over 300);
- (i) the proposed development would provide a number of planning gains to enhance public accessibility in the area, and the Commissioner for Transport considered that the linkage to Taikoo Place might enhance the connectivity of the Site to Taikoo Place and the MTR station;
- (j) the proposal also included some community design features such as widening of public footpath, widening of private access to the car park at Sunway Gardens, provision of a new green wall at the rear of the Site to improve the visual amenity for the residents of Sunway Gardens, provision of a central open landscape area to provide visual and air flow to Sunway Gardens, and raising of the office towers above the podium to increase air flow. Those design features could only be implemented through a commercial development but not a residential development;

Responses to rejection reason (iii) on “Setting of Undesirable Precedent”

- (k) in considering whether approval of the application would set an undesirable precedent, it would be true only if the application was approved without good reasons. It should be noted that the similar application at Anton Street, Wanchai was approved, and that application involved a relaxation of building height restriction of 18.3%, provision of parking facilities at the low end requirement of the Hong Kong Planning Standards and Guidelines, and absence of off-site planning gains or pedestrian connections. The subject application carried no such ‘undesirable’ implications;
- (l) there was no evidence to show that approval of the application would aggravate the shortfall in housing land supply. Quarry Bay was one of the areas with the highest population density in the Eastern District. It had a population density of 62,178 persons/km² which was 2.27 times higher than the average of 27,330 persons/km² for the built-up areas in the territory. According to Hong Kong 2030+’s recommendation, to address the congestion problem, high-density districts should be given attention in determining whether to introduce new developments. The loss of residential flats by the proposed office development at the Site represented only 1.23% of the total supply of 93,000 private housing units in 2019-2022. Given that the Government had adopted a multi-pronged approach to increase housing land supply, the concern about aggravating the shortfall in housing land was unfounded; and
- (m) in conclusion, there were various merits of the application that had not been considered by the MPC. For instance, the proposed development was not incompatible with the surrounding areas, there was no adverse departmental comments and the proposal in compliance with the TPB PG-No.5 had its own special site circumstances and planning and design merits. The Site offered an extremely rare opportunity for providing additional Grade A office floorspace at the non-CBD Taikoo Place in the short/medium term.

15. Dr Owen Yue, the applicant’s representative, made the following main points:

- (a) the applicant had critically assessed the type of development that would be suitable for the Site, and concluded that commercial development would be more appropriate than residential development in view of the local context; and
- (b) the existing buildings at the Site only provided about 366 flats. If the Site was to be redeveloped for residential use, it would produce about 1,200 residential flats under the permitted development intensity. That would further increase the population density in the area which was not in line with the government's policy in thinning out urban population.

16. As the presentations of PlanD's representative and the applicant's representatives had been completed, the Chairperson invited questions from Members.

[Dr Lawrence W.C. Poon left the meeting at this point.]

The Proposed Development, Planning History of the Area and Local Context

17. Some Members raised the following questions:

- (a) information on the planning history of the area, the number of flats of existing buildings at the Site and adjoining residential developments, and the estimated number of flats that could be produced at the Site upon redevelopment;
- (b) whether there were plot ratio (PR) and building height restrictions stipulated on the Site and other "R(A)" sites on the OZP; and the maximum permissible PR of the Site under the Building (Planning) Regulations (B(P)R);
- (c) whether there was any requirement for the proportion of commercial and residential uses to be achieved under the OZP;
- (d) whether the boundary of the "R(A)" zone was drawn up on the basis of street

blocks; and whether Pan Hoi Street was a natural divider separating the commercial and residential uses in the area; and

- (e) whether Quarry Bay was the most densely populated district in Hong Kong.

18. In response, Mr Louis K.H. Kau, DPO/HK, PlanD, made the following main points:

- (a) there was a gradual transformation of the areas covering Taikoo Place from an industrial area into a residential and commercial community. In view of the relocation of industries in Hong Kong to the Mainland and the potential of Taikoo Place as a secondary commercial/office centre, the areas at Taikoo Place were rezoned from “Industrial” to “Comprehensive Development Area” and “Commercial” (“C”) in 1990 to encourage redevelopment, while the surrounding areas were mostly zoned “Commercial/Residential” (“C/R”) at that time;
- (b) the Stage II Study on Review of Metroplan completed in 2003 recommended that the “C/R” zoning on OZPs should be reviewed for more effective infrastructure planning and better land use management, and a land use review was subsequently undertaken to examine the “C/R” zones with a view to rezoning the area either to “C” or “R” to provide a clearer planning intention for the respective sites. Most of the sites in the vicinity of Pan Hoi Street, which were predominantly residential in nature with the lower floors used for local retail/commercial activities, were akin to “R(A)” type development. The “C/R” sites including the Site and surrounding residential developments were rezoned to “R(A)” in 2008 to reflect the residential nature of the developments. The two C/R sites to the north of Pan Hoi Street were rezoned to “C” to encourage redevelopment for commercial uses, which would be more compatible with the adjoining commercial uses in Taikoo Place;
- (c) the building at the junction of King’s Road and Westlands Road which was situated at the southern tip of the subject “R(A)” zone was rezoned from

“C/R” to “R(A)” in 2008 and the proposed amendment was subject to a number of objections. The site had already been acquired for redevelopment at that time. After giving further consideration to the objections related to the site in 2009, the Board decided to uphold the objection and to rezone the site from “R(A)” to “C” on the grounds that the site was susceptible to traffic noise from King’s Road and too small to allow design flexibility for incorporation of noise mitigation measures;

- (d) the Site was currently occupied by nine 8-storey medium-rise residential buildings and a 12-storey residential building completed between 1950’s and 60’s. To the immediate east and south was a residential neighbourhood comprising high-rise residential developments including Westlands Court, Sunway Gardens and a group of medium-rise residential blocks. According to the applicant’s submission, being a Class C site under B(P)R, the Site could be developed with a maximum PR of 10.57, providing about 1,200 flats with an average flat size of about 30m²;
- (e) Sunway Gardens, which adjoined the Site, comprised six 24-storey residential blocks completed in 1974, providing about 1,000 flats. The Westlands Court to its east consisted of three 31-storey residential blocks completed in 1985, providing not more than 1,000 flats;
- (f) the Site as well as the other “R(A)” sites were not subject to any PR restriction on the OZP, and thus the maximum permissible PR should follow that under the B(P)R. However, maximum building heights were stipulated on the OZP for the “R(A)” zones;
- (g) there was no requirement under the OZP for the proportion of commercial and residential uses to be achieved;
- (h) in general, the land use zonings were drawn up with reference to the predominant use and on the basis of street blocks. For the subject “R(A)” zone, the predominant use was residential. Pan Hoi Street was currently

separating the area into two portions, with Taikoo Place which was a comprehensive commercial/office hub to the north and a residential cluster including the Site, Sunway Gardens, Westlands Court, etc. to the south. Implementation of the “R(A)” zone would be effected through private initiatives for redevelopment of respective sites; and

- (i) there was no information in hand whether Quarry Bay had the highest population density.

19. The Chairperson and some Members raised the following questions:

- (a) the vacancy rate of existing buildings at the Site;
- (b) noting that the 1,200 flats to be provided at the Site were estimated on the assumption of providing only small flat size, whether consideration had been given to producing larger flat size;
- (c) with the provision of 365 car parking spaces for the proposed office development, whether the morning incoming peak would generate adverse traffic impact on the surrounding road network; and
- (d) whether the large number of opposing public comments received were submitted by the local residents and whether the affected residents in the area were well informed of the proposal.

20. In response, Dr Owen Yue and Mr Kevin Ng, the applicant’s representatives, made the following main points:

- (a) the premises at the Site were already vacant except a few retail shops still operating on the ground floor. The buildings were almost ready for demolition;
- (b) the flat size of 30m² was the saleable floor area amounting to a gross floor

area of about 40 to 50m². Large flat size was considered not suitable for the Quarry Bay area which was mainly populated by the middle income group;

- (c) the traffic generated by an office development and a residential development would be in the opposite direction. The Traffic Impact Assessment report submitted by the applicant demonstrated that the proposed office development would not generate any adverse traffic impact on the surroundings and was considered acceptable by the Transport Department; and
- (d) it was not uncommon that public views on a development proposal were diverse. Should the Site be redeveloped into a residential development, opposing views would also be expected due to the increased population density. The local concerns had already been taken into account in the building design. Site notices had been posted in respect of the application and the applicant had also provided responses to public comments for the Board's consideration.

Office Development vs Residential Development

21. The Chairperson and some Members raised the following questions:

- (a) why a commercial instead of a residential development was proposed and their potential adverse impacts;
- (b) whether a comparison of the economic benefits between commercial and residential development had been made; and
- (c) whether the planning gains to be achieved under the application could also be achieved if the Site was redeveloped into a residential development.

22. In response, Dr Owen Yue and Mr Kevin Ng, the applicant's representatives, made the following main points:

- (a) the Site was considered more suitable for commercial development, taking into account its unique site context and circumstances of the surrounding areas. There was a shortfall in both commercial and residential land. The proposed development, being located within a non-CBD commercial hub, was in line with the government policy to increase office supply in non-CBD area in order to decentralise commercial activities and thin out population in the urban area. The applicant's research showed that Quarry Bay was a well-established Grade A office hub. The proposed commercial development would become a natural extension of Taikoo Place and offered a rare opportunity for providing additional floor space to the commercial hub;
- (b) on the contrary, the elongated configuration of the Site would pose constraints to design flexibility for a residential development in terms of visual, air ventilation and pedestrian environment considerations. To alleviate the traffic noise impact generated from King's Road, mitigation measures such as single aspect design and double-glazed windows would need to be adopted in the residential development, which was considered not desirable for the future residents. A residential development with 1,200 flats would be of high-density and high-rise, causing adverse traffic and visual impacts on the nearby residents. Comparatively speaking, the vertical greening to be brought about by the proposed commercial development would benefit the residents of Sunway Gardens which was located right at the rear of the proposed development;
- (c) as Quarry Bay was one of the most densely populated districts in Hong Kong, almost doubled that of other built-up areas, any additional residential developments would further increase the population density in the area and worsen the living environment. Adopting the territorial figure of 2.8 persons per occupied flat and the space of 20m² per worker, the number of residents of a residential development would be far more than the number of workers of an office development given the same GFA; and
- (d) the financial return from a residential development at the Site would probably

be higher than that from an office development in view of the required facilities that needed to be provided and maintained in the office development such as high level of car parking ratio, the open plaza, the vertical green wall and the improvement to the footbridge system. However, it might not be practical to incorporate the proposed enhancement features into a residential development. Besides, the provision of Grade A offices would be essential for an international city like Hong Kong. There was currently a shortfall in both commercial and residential land supply. While there was a need to meet the pressing housing demand, it was also necessary to increase office supply in non-CBD area. As such, expansion of the Grade A office hub in Quarry Bay should not be discouraged.

23. Regarding the potential adverse impacts of the proposed development at the Site on the surroundings, Mr Louis K.H. Kau, DPO/HK, PlanD, said that with a lower maximum permissible PR and a smaller site coverage under the B(P)R for residential development, the potential adverse environmental and traffic impacts to be generated were expected to be less as compared to a commercial development.

Office Supply

24. Some Members raised the following questions:

- (a) whether the MPC relied mainly upon the long term forecast of office floorspace under the Hong Kong 2030+, which was conducted in 2015, as the main consideration for rejecting the subject application;
- (b) the differences between Grade A and non-Grade A office; and whether the supply of Grade A offices was assessed at the territorial or district level; and
- (c) the differences in the planning circumstances between the area around Taikoo Place in Quarry Bay and those at Pacific Place in Admiralty; and whether the total floor space for office in Admiralty and Quarry Bay was comparable.

25. In response, Mr Louis K.H. Kau, DPO/HK, PlanD, with the aid of the visualiser, said that the land requirement and supply analysis undertaken in Hong Kong 2030+ was only one of the planning considerations in assessing the subject application. As stated in the MPC Paper for the subject application, the planning considerations also included planning intention, planning gain and setting of precedent. While the proposed public open space and footbridge linking Taikoo Place would in general enhance the public realm and facilitate pedestrian circulation and connectivity, the other design measures proposed by the applicant, such as the proposed setback to allow widening of the private lane for vehicular access and the proposed bus lay-by at King's Road, were largely to facilitate the proposed development and could not be considered as planning gain.

26. In response, Dr Owen Yue and Mr Kevin Ng, the applicant's representatives, made the following main points:

- (a) in general, Grade A and non-Grade A offices differed the most in terms of space, floor height, management, facilities and services, with nice furnished lobbies and sizeable circulation areas, etc. and usually of long-term holding by developers whilst non-Grade A offices generally did not have all such qualities; and
- (b) as mentioned in the earlier presentation, there were about 3.6 million ft² net floor area of office space in Admiralty and about 5.2 million ft² net floor area of office space in Quarry Bay.

TPB PG-No.5

27. The Chairperson and a Member raised the following questions:

- (a) whether the proposed development complied with assessment criterion (e) of TPB PG-No.5; and
- (b) whether the Site was located within a predominantly residential cluster, noting that the Taikoo Place was just located to its immediate north.

28. In response, Mr Louis K.H. Kau, DPO/HK, PlanD, said that according to criterion (e) of TPB PG-No.5, the proposed office building should be compatible with the existing and planned land uses of the locality and should not be located in a predominantly residential area. With the aid of a plan showing the different land uses in the Quarry Bay area, Mr Kau said that although the proposed development with shop and services/eating place uses on the lower floors in the subject application was not incompatible with the surrounding developments, the proposed office development did not fully comply with assessment criterion (e) as the Site was located within a predominantly residential cluster. The applicant should provide sufficient justifications and conduct impact assessments to support whether the proposed development was in compliance with the guidelines.

Similar Planning Applications

29. Some Members raised the following questions:

- (a) whether the applicant's claim that there were a number of approved planning applications for office development with "R(A)" zones in the past ten years was factually correct, and the planning considerations for granting such approvals; and
- (b) whether similar applications on Hong Kong Island had been rejected by the Board; and whether no previous approval for similar application in the area was a major ground for rejecting an application.

30. In response, Mr Louis K.H. Kau, DPO/HK, PlanD, made the following main points:

- (a) there were similar applications for office development within "R(A)" zone that were approved by the Board in other areas of Hong Kong Island but not in Quarry Bay. However, each application should be considered on a case by case basis, and those approved applications had its unique planning background and context. The sites approved by the Board were mainly located in Wan Chai, Causeway Bay and Central including the following applications:

- (i) for application No. A/H3/402 at Shelley Street, the site was surrounded on three sides by existing commercial buildings;
 - (ii) application No. A/H5/411 at Anton Street, which was situated between Hennessy Road and Queen's Road East, had a unique planning history. During the consideration of a planning application in the area in 2008, PlanD was requested to conduct a land use review of the area to the southwest of the junction of Hennessy Road and Johnston Road to explore the development potential of that residential area for rezoning to commercial use. The review concluded that the concerned area possessed great potential for commercial use. However, in view of the traffic concern, the Board agreed that wholesale rezoning of the area to commercial use was considered not appropriate and redevelopment for commercial use was recommended to be considered by way of planning application on a case by case basis to ensure that no adverse traffic impact would be resulted;
 - (iii) applications No. A/H5/400 and A/H5/412 involving the same site at Queen's Road East, which were approved in 2015 and 2019 respectively. The site was immediately adjoining the Hopewell Centre and Hopewell Centre II within a commercial cluster; and
 - (iv) application No. A/H7/172 was approved in 2017. The site located at 8 Leighton Road and was the subject of nine planning applications previously approved for commercial/office/hotel uses since 1981;
- (b) since 2011, the Board had adopted a more cautious approach in considering applications for commercial developments in "R(A)" zone to safeguard the supply of housing land in view of the pressing housing need; and
- (c) there were two similar applications for office development within "R(A)" zone in the Central/Sheung Wan area rejected by the Committee/the Board in recent years on similar grounds as the current application. The application at

Glenealy was rejected by the Board upon review and a planning appeal was received, while the application at Gage Street was rejected by the MPC and a review application was under processing.

31. As Members had no further question, the 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's representatives and inform the applicant of the Board's decision in due course. The Chairperson thanked the representatives of the applicant and PlanD for attending the meeting. They left the meeting at this point.

[Dr Lawrence K.C. Li, Ms Sandy H.Y. Wong and Dr Jeanne C.Y. Ng left the meeting during the Question Session.]

[The meeting was adjourned for a short break of 10 minutes.]

[Dr Frankie W.C. Yeung left the meeting during the break.]

Deliberation Session

32. The Chairperson said that the subject case was a planning application for a proposed commercial development in "R(A)" zone instead of a rezoning application, and the applied uses were Column 2 uses which might be approved by the Board. According to the TPB PG-No.5, the proposed office development should not be located in a predominantly residential area. The Site was located at the fringe of a predominantly residential cluster, forming an integral part of the larger "R(A)" zone, while its surrounding area was almost equally zoned for residential and commercial uses in a wider context. The representatives of PlanD and the applicant had also provided relevant background information and possible impacts and benefits of pursuing a commercial development and a residential development at the Site for Members' consideration.

33. The Chairperson and a Member then conveyed the views of two Members who had left the meeting before the deliberation session. One Member concurred with MPC's

view and did not support the application, while the other Member considered that there was an acute shortage of office floorspace in Hong Kong and the Site was suitable for office development.

34. Another Member was also concerned about the acute shortage of office floorspace in Hong Kong and said that according to the latest property analysis and projections, the price of office floorspace had been escalating rapidly. Provision of job opportunities was as important as housing units. A commercial cluster providing up to 500,000m² floorspace, which could not be found elsewhere on the Hong Kong Island, would be a valuable source of office supply in the short/medium term. Although the Site was zoned “R(A)” on the OZP, the applicant had demonstrated a strong case for commercial use at the Site, which could also help enhance the environment of the whole area. After all, there were alternative housing sites in other areas of Hong Kong but there might not be comparable alternatives for office development in the developed urban areas.

35. A Member held the view that favourable consideration could be given to the review application and said that the residential buildings on the Site built in the 1950’s and 60’s were ripe for redevelopment. Given the site context and constraints such as the elongated configuration of the Site which might be susceptible to traffic noise, the Site would at most come up with an ordinary residential development. On the contrary, the proposed office development, if implemented, would not only create the synergy with the commercial hub in Taikoo Place but also help improve the pedestrian connectivity and walking environment of the area, and have the potential to become a prestige office development.

36. A Member remarked that the applicant had not submitted any new information nor strong justifications to support the review application. In fact, there had been newly developed non-core CBDs in other parts of Hong Kong, for example, Kwun Tong had become a very popular area for Grade A offices in recent years. Another Member said that although the Site might be suitable for commercial development to a certain extent, approval of the application would mean giving away a residential site, hence was in conflict with the previous decisions of the Board to rezone some “Green Belt” and “Government, Institution or Community” sites for residential use to increase housing land supply and would set an undesirable precedent for similar applications in “R(A)” zone.

37. A Member did not support the review application and emphasised that the Site was zoned “R(A)” on the OZP which was intended primarily for high-density residential developments. In view of the pressing demand for housing land, the approval of the application would set an undesirable precedent for similar applications, resulting in cumulative loss of residential land. Noting the narrow frontage to King’s Road, that Member did not consider that the Site would be subject to very severe traffic noise impact, rendering it not suitable for residential development. Comparing the maximum PR of 15 and 10 for commercial and residential development respectively, a commercial development would likely be bulkier than a residential development at the Site. A residential development would allow greater permeability and thus less adverse visual impact on the surrounding area. Similar enhancement in connections and linkages could also be pursued in a residential development. There were also a large number of public comments received objecting to the review application. The approved applications quoted by the applicant were different from the subject application in terms of site context and planning background. Another Member shared similar views and did not support the review application.

38. Some Members also did not support the review application mainly on the grounds that there were no strong justifications submitted by the applicant and the approval of the application would set an undesirable precedent for similar development in “R(A)” zone, resulting in a loss of residential land. A Member further added that a similar application for office development within “R(A)” zone at Glenealy, Central was rejected by the Board upon review recently. Similar to that application, there were insufficient justifications to approve the subject application.

39. A Member suggested that to facilitate the Board’s consideration of similar applications in the future, it would be helpful if more information on the supply of office and housing land in Hong Kong could be made available for Members’ reference. In response, the Chairperson said that the latest assessment of the Hong Kong 2030+ on the supply and demand of various land uses, including office and housing land, on the territorial basis would be released for public information when ready.

[Mr Andy S.H. Lam and Professor T.S. Liu left the meeting during the discussion.]

40. The Chairperson concluded that while there were views that the Site might be suitable for commercial development given its close proximity to an existing commercial hub, majority of the Members were concerned that the approval of the application would set an undesirable precedent for similar applications in the same and other “R(A)” zones in the vicinity, resulting in cumulative loss of residential land. As the Site was located in a predominantly residential cluster in the same street block, the proposed office development would inevitably affect the integrity of the “R(A)” zone. Besides, the applicant failed to provide sufficient justifications to deviate from the planning intention of the “R(A)” zone. Similar planning and design merits could also be implemented through a residential development if the applicant so wished.

41. After further deliberation, the Board decided to reject the application on review for the following reasons:

- “(a) the proposed office development is not in line with the planning intention of the “Residential (Group A)” (“R(A)”) zone which is for high-density residential developments. The applicant has failed to demonstrate that there are sufficient justifications to deviate from the planning intention of the “R(A)” zone; and
- (b) approval of the application would set an undesirable precedent for similar applications in the same and other “R(A)” zones in the vicinity. The cumulative effect of approving such applications would aggravate the shortfall in the supply of housing land.”

[Mr Alex T.H. Lai and Professor Jonathan W.C. Wong left the meeting at this point.]

Procedural Matter

Agenda Item 4

[Open Meeting]

Information Note and Hearing Arrangement for Consideration of Representations and Comments on the Draft Pok Fu Lam Outline Zoning Plan No. S/H10/18

(TPB Paper No.10645)

[The item was conducted in Cantonese.]

42. The Secretary reported that the proposed amendment relating to the Cyberport expansion project (Item A1) was proposed by the Hong Kong Cyberport Management Company Limited (HKCMCL), which was also a representer, with Urbis Limited (Urbis) as one of the consultants. The following Members had declared interests on the item for owning properties in Pok Fu Lam; and/or having affiliation/business dealings with HKCMCL and/or the representers, Hong Kong United Youth Association Limited (HKUYA) (R7), MTR Corporation Limited (MTRCL) (R21), Island South Property Management Limited (ISPML) (R105) and Ms Mary Mulvihill (R161/C32):

- | | |
|-------------------|---|
| Mr Thomas O.S. Ho | - having current business dealings with MTRCL and his firm having current business dealings with Urbis |
| Mr K.K. Cheung | - his firm having current business dealings with Urbis, MTRCL, ISPML, and hiring Ms Mary Mulvihill on a contract basis from time to time |
| Mr Alex T.H. Lai | - his former firm having current business dealings with Urbis, MTRCL, ISPML, and hiring Ms Mary Mulvihill on a contract basis from time to time |

- Mr Stanley T.S. Choi - being the Director of HKUYA

- Ms Sandy H.Y. Wong - being a personal friend of the Chief Executive Officer of HKCMCL

- 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

- Professor T.S. Liu - collaborating with the Caritas Pokfulam Community Development Project Centre at Pok Fu Lam Village in carrying out an education programme

- Mr Franklin Yu - having past business dealings with MTRCL and Urbis

- Mr Stephen L.H. Liu - having past business dealings with MTRCL and co-owning with spouse three flats in Pok Fu Lam

- Professor Jonathan W.C. Wong - his brother living in Wah Fu Estate

43. Members noted that Messrs Thomas O.S. Ho and Stephen L.H. Liu had tendered apologies for being unable to attend the meeting. Members also noted that Ms Sandy H.Y. Wong, Professor T.S. Liu, Professor Jonathan W.C. Wong and Mr Alex T.H. Lai had already left the meeting. As the item was procedural in nature, Members agreed that the other Members could stay in the meeting.

44. The Secretary briefly introduced the TPB Paper No. 10645 (the Paper). On 27.9.2019, the draft OZP was exhibited for public inspection. A total of 780 representations and 32 comments were received. Among the 780 representations, 101 were supporting, 677 were opposing, and two were providing views. Among the 32 comments, one provided responses to address the concerns raised in the representations, 30 supported the Cyberport

expansion, and one opposed development at the waterfront.

45. Since the representations/comments were of similar nature, it was suggested that the hearing would be considered by the full Board collectively in one group in the regular meeting. To ensure efficiency of the hearing, it was recommended to allot a maximum of 10 minutes presentation time to each representer and commenter in the hearing session. Consideration of the representations and comments by the full Board was tentatively scheduled for May/June 2020.

46. After deliberation, the Board agreed that:

- (a) the representations and comments should be considered collectively in one group by the Board; and
- (b) a 10-minute presentation time would be allotted to each representer and commenter.

Agenda Item 5

[Open Meeting]

Any Other Business

47. There being no other business, the meeting was closed at 12:10 p.m.