

**TPB Paper No. 10644
For Consideration by the
Town Planning Board on 17.4.2020**

**REVIEW OF APPLICATION NO. A/H21/151
UNDER SECTION 17 OF THE TOWN PLANNING ORDINANCE**

**PROPOSED OFFICE, SHOP AND SERVICES AND EATING PLACE
IN “RESIDENTIAL (GROUP A)” ZONE
AT 16-94 PAN HOI STREET AND 983-987A KING’S ROAD,
QUARRY BAY, HONG KONG**

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Proposed Office, Shop and Services and Eating Place at
16-94 Pan Hoi Street and 983-987A King's Road, Quarry Bay, Hong Kong

1. Background

- 1.1 On 25.4.2019, an application was received from the applicant, Wealth First Limited, represented by Pro Plan Asia Limited, seeking planning permission under s.16 of the Town Planning Ordinance (the Ordinance) to redevelop the application site at 16-94 Pan Hoi Street and 983-987A King's Road, Quarry Bay (the Site) for a planned 32-storey commercial development with office, shop and services and eating place uses, open space and footbridges connections. The Site falls within an area zoned "Residential (Group A)" ("R(A)") and partly shown as 'Road' on the approved Quarry Bay Outline Zoning Plan (OZP) No. S/H21/28. According to the Notes of the OZP for "R(A)" zone, 'Office', 'Shop and Services' and 'Eating Place' uses not within the lowest three floors of a building require planning permission from the Town Planning Board (the Board).
- 1.2 On 13.12.2019, the Metro Planning Committee (MPC) of the Board decided to reject the application and the reasons were:
- (a) the proposed office development is not in line with the planning intention of the "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 similar applications would aggravate the shortfall in the supply of housing land.
- 1.3 For Members' reference, the following documents are attached:
- (a) MPC Paper No. A/H21/151A (Annex A)
 - (b) Extract of the Minutes of the MPC Meeting held on 13.12.2019 (Annex B)
 - (c) Secretary of the Board's Letter dated 3.1.2020 (Annex C)

2. Application for Review

On 20.1.2020, the applicant applied, under section 17(1) of the Ordinance, for a review of the MPC's decision to reject the application (**Annex D**). The applicant has not submitted any written representation in support of the review application.

3. The Section 16 Application

The Site and Its Surrounding Areas (Plans R-1 to R-3)

3.1 The situation and characteristics of the Site and its surrounding areas at the time of the consideration of the s.16 application by the MPC were described in paragraph 7 of **Annex A**. There has been no material change of the situation since then.

Planning Intention

3.2 There has been no change to the planning intention of the "R(A)" zone, which was mentioned in paragraph 8 of **Annex A**.

Town Planning Board Guidelines

3.3 The Town Planning Board Guidelines for 'Application for Office Development in "Residential (Group A)" Zone under Sections 12A and 16 of the Town Planning Ordinance' (TPB PG-No. 5) relevant to the consideration of the s.16 application is still valid. The relevant assessment criteria were summarised at paragraph 4 of **Annex A**.

Previous and Similar Applications

3.4 There is no previous application in respect of the Site and no similar application for office development within the "R(A)" zone in the Quarry Bay planning scheme area.

4. Comments from Relevant Government Departments

4.1 Comments on the s.16 application made by relevant government departments were stated in paragraph 9 of **Annex A**.

4.2 For the review application, the following government departments have been further consulted and maintained their previous comments on the s.16 application major comments are summarised below:

Land Administration

4.2.1 Comments of the District Lands Officer/Hong Kong East, Lands Department (DLO/HKE, LandsD):

- (a) the Site comprises of a proposed office, shop and services and eating place development over 16 private lots (namely, s. J ss. 1 to 7, s. J RP, s. K ss. 1 to 5, s. K RP, s. L ss. 1 and s. L RP of Quarry Bay Marine Lot 1

(“the Lots”), a proposed footbridge over Pan Hoi Street, and proposed upgrading of an existing footbridge near the junction of King’s Road and Pan Hoi Street and extension to the proposed development (“the Proposed Footbridge Upgrading”);

- (b) the lease conditions governing the Lots have no specified user restriction but subject to non-offensive trade clause. The proposal submitted by the applicant does not conflict with the lease conditions governing the Lots, hence if the proposal is approved by the Board, the applicant is not required to seek a lease modification from LandsD except to seek a licence to remove certain offensive trades to facilitate the proposed eating place and easement for the Proposed Footbridge Upgrading. However, there is no guarantee that the above application will be approved. Such application, if received by LandsD, will be considered by LandsD acting in the capacity as the landlord at its sole discretion. In the event any such application is approved, it would be subject to such terms and conditions including, among others, the payment of premium and administrative fee as may be imposed by LandsD; and
- (c) authorisation of the Proposed Footbridge Upgrading under Roads (Works, Use and Compensation) Ordinance (Cap. 370) is also required before its implementation. The applicant has to confirm its alignment and conceptual design prior to gazettal. The applicant is reminded that there is no guarantee that authorization under Cap. 370 will be given and the applicant will be liable for all administrative costs and compensation claims incurred or to be incurred by the Government in connection with or in relation to the said road works.

Traffic Aspect

4.2.2 Comments of the Commissioner for Transport (C for T):

- (a) no objection in principle to the application and the Traffic Impact Assessment (TIA) reports from traffic engineering viewpoint but suggests that should the application be approved, an approval condition should be imposed for the design and provision of improvement schemes as proposed in the TIA, in order to mitigate both vehicular and pedestrian traffic impacts of the proposed development; and
- (b) detailed comments are in **Appendix II of Annex A**.

4.2.3 Comments of the Chief Highway Engineer/Hong Kong, Highway Department (CHE/HK, HyD):

- (a) no objection to the application;
- (b) the proposed upgrading works and footbridge extension shall be managed by the Transport Department (TD) and be opened to the public 24 hours a day upon its handover to the Government;

- (c) proposed ramps, staircases, escalators or lifts for the upgrading works and footbridge extension shall be located at public footway maintained by HyD with unimpeded public access;
- (d) the building management shall guarantee 24 hours unrestricted access through the development for use by the public to the footbridge; and
- (e) detailed comments are in **Appendix II** of **Annex A**.

Building Aspect

4.2.4 Comments of the Chief Building Surveyor/Hong Kong East & Heritage, Buildings Department (CBS/HKE&H, BD):

- (a) no objection to the application;
- (b) the applicant has claimed the Site as a Class C site for the purpose of calculation of plot ratio (PR) and site coverage. However, the street(s) of the Site abutting is a private street. As such, the applicant should submit adequate information to demonstrate the requirements as laid down in regulation 18A of the Building (Planning) Regulations for Class C site have been complied with; and
- (c) detailed comments are in **Appendix II** of **Annex A**.

Environmental Aspect

4.2.5 Comments of the Director of Environmental Protection (DEP):

- (a) no objection to the application;
- (b) office developments are normally provided with central air conditioning system and the applicant/Authorised Person should be able to select a proper location for fresh-air intake during detailed design stage to avoid exposing future occupants under unacceptable environmental nuisance/impact; and
- (c) should the Board decide to approve this application, the applicant shall submit a Sewerage Impact Assessment (SIA) for the approval of the DEP or the Board. The applicant shall be responsible for implementing the local sewerage upgrading/sewerage connection works as recommended in the approved SIA report.

4.2.6 Comments of the Chief Engineer/Hong Kong & Islands, Drainage Services Department (CE/HKIs, DSD):

- (a) no comment to the application;
- (b) the applicant is advised to make an assessment during detailed design stage and make sure the project will not cause any adverse impact to the existing drainage system; and

- (c) the storm drains and sewers along Pan Hoi Street are not maintained by DSD, which are within private lot. Except for the 300 diameter, sewer between manhole nos. FMH7034003 and FGJ7005723, and the 225 diameter, sewer between manhole nos. FMH7034014 and FMH7034004.

Fire Safety Aspect

4.2.7 Comments of the Director of Fire Services (D of FS):

- (a) no objection in-principle to the application subject to fire service installations and water supplies for firefighting being provided to his satisfaction;
- (b) detailed fire services requirements will be formulated upon receipt of formal submission of general building plans; and
- (c) as no details of the emergency vehicular access (EVA) have been provided, comments could not be offered at the present stage. The applicant is advised to observe the requirements of EVA as stipulated in Section 6, Part D of the Code of Practice for Fire Safety in Building 2011 which is administered by BD.

Urban Design, Visual and Air Ventilation Aspects

Urban Design and Visual

4.2.8 Comments of the Chief Architect/Central Management Division 2, Architectural Services Department (CA/CMD2, ArchSD):

- (a) no comment from visual impact point of view;
- (b) the proposed development consists of two tower blocks with a building height (BH) of 120mPD which may not be incompatible with adjacent developments with BHs ranging from 120mPD to 225mPD; and
- (c) façade area along King's Road of the proposed development is facing west, solar control devices should be considered to reduce solar heat gain and avoid glare affecting adjacent buildings as far as practicable.

4.2.9 Comments of the Chief Town Planner/Urban Design and Landscape, Planning Department (CTP/UD&L, PlanD):

- (a) the proposal is mainly to erect two 32-storey office towers with eating place/shop and services uses on G/F and 2/F at the Site. The proposed BH of 120mPD is in line with the prevailing BH restriction stipulated on the OZP. The scale of the proposal is not considered incompatible with the surrounding planning context;

- (b) the proposed open plaza and landscape deck will generally enhance at-grade public realm and facilitate pedestrian circulation with the commercial frontage;
- (c) the pedestrian space resulting from the proposed setback would be similar to the existing pavement and footpath along Pan Hoi Street and thus may not constitute a design merit;
- (d) the elevated footbridges could enhance the connectivity of the Site to Taikoo Place and the MTR station. Enhancement to existing footbridge would provide better facilities, however, further comments from TD and HyD should be sought on the needs and scope of improvement works; and

Air Ventilation

- (e) the Site does not fall within any identified air path and there is no particular air ventilation concern related to the Site. The Site or the proposal does not fall within the criteria for an air ventilation assessment (AVA) in accordance with the joint HPLB-ETWB Technical Circular No. 1/06 on AVA. Moreover, the proposed development does not exceed the BH restriction as stipulated on the subject OZP. As such, it is not anticipated that the proposal would induce any significant adverse air ventilation impact on the surrounding.

Landscape Aspect

4.2.10 Comments of the CTP/UD&L, PlanD:

- (a) no objection to the application from the landscape planning perspective; and
- (b) the proposed uses are considered not incompatible with the existing landscape character. The Site is currently occupied by 10 residential blocks with commercial use on the ground level. It locates at Pan Hoi Street where Taikoo Place redevelopment is at its north and residential estate 'Sunway Gardens' is at its south. The Site is situated in an area of urban landscape character. Medium to high rise residential and commercial buildings are common in the surrounding areas. No existing landscape resources are found within the Site. Significant change or disturbances to the existing landscape character and resource arising from the proposed use are not anticipated.

Water Supplies Aspect

4.2.11 Comments of the Chief Engineer/Construction, Water Supplies Department (CE/C, WSD):

- (a) no objection to the application; and

- (b) there are works under WSD's Contract No. 3/WSD/12 "Replacement and Rehabilitation of Water Mains, Stage 4 Phase 1 – Remaining Mains on Hong Kong Island" in the vicinity of the Site. The works is tentatively scheduled to complete by end May 2020. The applicant is reminded to pay attention to any interfacing matters.

Others

4.2.12 Comments of the Director of Food and Environmental Hygiene (DFEH):

- (a) no facilities within the purview of the Food and Environmental Hygiene Department (FEHD) should be affected. Relevant works and operation should not cause any environmental nuisance, pest infestation and obstruction to the surrounding;
- (b) for any waste generated from the commercial/trading activities, the applicant should arrange its disposal properly at his/her own expenses; and
- (c) proper licence/permit issued by FEHD is required if there will be catering service/activities regulated by DFEH under the Public Health and Municipal Services Ordinance (Cap. 132) and other relevant legislation for the public.

4.2.13 The Commissioner of Police has no comment on the application.

Local View

4.2.14 Comments of the District Officer (Eastern), Home Affairs Department:

- (a) during the s.16 stage in May 2019, there had been growing local sentiment regarding the application, in which district personalities (including the former Eastern District Council member of the subject constituency) had concerns about potential issues and problems that may arise from the development, including but not limited to traffic congestion, visual impact, noise nuisance and ground settlement;
- (b) given the lapse of time and that the Board has earlier declined the s.16 application, local sentiment thereon is relatively mild for the time being, however, locals may still hold similar views as in May 2019; and
- (c) PlanD may wish to consider to actively engage local stakeholders (e.g. residents living in the vicinity and Eastern District Council members) and gauge the latest local opinion on the application, particularly taking into account the potential nuisance that might arise from the development (e.g. aggravating traffic congestion, noise nuisance, environmental impact etc.).

5. **Public Comments Received During Statutory Publication Periods**

5.1 On 7.2.2020, the review application was published for public inspection. During the first three weeks of the statutory publication periods which ended on 28.2.2020, a total of 43 comments were received. Of which, 42 opposing comments were from a district council member and individuals; and one supporting comment from an individual. The concerned district council member has also attached a summary of comments received from residents with both supporting and opposing views. A full set of the public comments are at **Annex E** for members' reference.

5.2 The main grounds of the public comments are summarised as follows:

Supporting Comment

- (a) Taikoo Place, near the Site, has already formed as a core business centre in Quarry Bay. The existing eating place or supermarket cannot support further increase of residents in the area. The proposed development may ease the problem of insufficient Grade A office space supply in the Central and Sheung Wan districts, and parking space demand of the local areas;

Opposing Comments

- (b) for "R(A)" zone, it is reasonable to take housing supply as a primary consideration as while there is a shortage of Grade A office supply, there is also acute shortage of housing supply;
- (c) existing residential use on site should be retained rather than allowing the proposed office development which would significantly increase development intensity of the area;
- (d) the proposed excavation works for underground parking spaces may affect the structure of nearby buildings and causing building safety issue;
- (e) local roads and footpaths in the area are generally narrow, the proposed redevelopment (including provision of 7-storey underground carpark) would have adverse impacts on local road, traffic and road safety;
- (f) the proposed redevelopment is considered too dense and tall, the area already has too many offices, further office development would cause adverse environmental impacts including noise, air ventilation, glare impact and nuisance on the nearby residents; and
- (g) the proposed redevelopment may cause increase in living cost which some locals might not be able to afford.

5.3 At the s.16 planning application stage, a total of 17 public comments were received including 14 opposing comments and 3 comments providing views similar to those raised by the opposing comments as summarised in paragraph 5.2 above. Their major views are summarised in paragraph 10 of **Annex A** with a full set of the public comments at **Appendix III of Annex A**.

6. Planning Considerations and Assessments

- 6.1 The applicant applies for a review of the MPC's decision in rejecting the s.16 application for redeveloping the Site for office, shop and services and eating place uses. The proposed 32-storey commercial development comprising two Grade A office towers atop retail podium and basement car parks will have a PR of 15, total GFA of 61,150.5 m² and BH of 120mPD with an at-grade open plaza and landscaped decks on 1/F and 2/F (**Drawings A-11 to A-14 of Annex A**). To improve the pedestrian environment, setbacks of 2.75m and 3m respectively from the northern and southern boundaries, and two elevated walkways (one connecting with Two Taikoo Place and the other with an existing footbridge across King's Road (**Drawings A-17 and A-20 of Annex A**)) are proposed. The applicant will also upgrade the existing footbridge across King's Road including provision of lift and upgrading of existing staircase.
- 6.2 As stated in paragraph 1.2 above, the rejection reasons for the application are that the applicant has failed to demonstrate that there are sufficient justifications to deviate from the planning intention of the "R(A)" zone; and approval of the application would set an undesirable precedent for similar applications in the same and other "R(A)" zone aggravating the shortfall in the supply of housing land.
- 6.3 The applicant has not provided any written representation in support of the review application. The planning consideration and assessments set out in paragraph 11 of **Annex A** remain valid and there is no new planning consideration to those submitted to and considered by the MPC resulting in its decision to reject the application. The planning considerations and assessments are recapped and outlined in the following paragraphs.

Planning Intention

- 6.4 The Site is zoned "R(A)" on the OZP which is intended primarily for high-density residential developments with certain commercial uses always permitted on the lowest three floors of a building or in the purpose-designed non-residential portion of an existing building. In general, sites should be developed in accordance with the planning intention of the zoning as shown on the OZP unless strong justifications have been provided for a departure from such planning intention.
- 6.5 The Site, currently occupied by a number of medium-rise residential buildings, is located within 300m from the MTR Quarry Bay Station and at the edge of a larger residential cluster adjacent to the commercial/office development of Taikoo Place (**Plan R-1**). Although the proposed office development with shop and services/eating place uses on the lower floors is considered not incompatible with the surrounding developments and does not exceed the maximum BH of 120mPD as stipulated on the OZP, and concerned departments have no adverse technical comments, the proposed development is not fully in line with the planning intention of the "R(A)" zone.
- 6.6 According to the land requirement and supply analysis undertaken under "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" in 2016, there are projected long-term shortfall of Grade A office floorspace in Central Business District (CBD) and surplus of Grade A office floorspace at non-CBD areas. Moreover, the redevelopment of the Site for the proposed commercial uses

instead of residential use would result in a loss of about 366 flats currently provided at the Site. As such, there seems no strong planning justifications for a departure from the planning intention of the “R(A)” zone.

Town Planning Board Guidelines (TPB PG-No.5)

- 6.7 The applicant claimed in the s.16 application that the proposed development is able to meet all the planning criteria set out in TPB PG-No.5, it should be noted that the decision to approve or reject an application rests entirely with the Board based on individual merits and other specific considerations of each case. As stated in paragraph 6.5 above, the Site is located within a predominately residential cluster, though there are commercial developments across the street, the proposed development is not fully complied with assessment criterion (e) of the TPB PG-No.5. Besides, apart from the planning criteria set out in TPB PG-No.5, the Board would also need to take into account other relevant considerations including the planning intention of the Site as stated in the OZP and implications of approving the application.

Building Design and Enhancement

- 6.8 According to the applicant, the proposed development can enhance the existing streetscape, pedestrian environment and connectivity through the provision of an at-grade public open space on private development (POSPD), landscape decks on 1/F and 2/F, setbacks from the northern and southern boundaries, and the provision of two elevated walkways with upgrading of existing footbridge across King’s Road, which could only be achieved with the proposed commercial development instead of a permitted as-of-right residential development. In this regard, CTP/UD&L considers that the proposed POSPD with commercial frontages and the landscape decks would in general enhance public realm, local amenity and facilitate pedestrian circulation at the commercial frontage along Pan Hoi Street. C for T also considers that the proposed elevated walkway linking Taikoo Place may enhance the connectivity of the Site to Taikoo Place and the MTR station.
- 6.9 As for other design measures proposed by the applicant, they are provided largely to facilitate the proposed development and may not be considered as planning gain as claimed by the applicant. For example, the proposed setback at the eastern boundary of the Site near Sunway Garden to allow widening of the private lane is required to facilitate vehicular access to the proposed development; and the proposed connection to and upgrading of the existing footbridge over King’s Road, as well as the proposed bus lay-by at King’s Road are mitigation measures proposed in the TIA to address the traffic impact arising from the proposed development.

Setting of Precedent

- 6.10 While the applicant has claimed that there were precedent cases for planning applications within “R(A)” zones being approved for conversion to commercial uses, it should be noted that no such application has been approved by the Committee in the Quarry Bay area since the policy to address the pressing housing need. For similar applications that were approved by the Board in other areas of Hong Kong Island (A/H3/402, A/H5/400, A/H3/432, A/H7/172 and A/H5/412), as

cited by the applicant, each of these applications has its unique planning background and context. Both applications No. A/H3/402 and A/H3/432 involve a same site (at 2-4 Shelley Street) which is surrounded on 3 sides by existing commercial buildings. Both applications No. A/H5/400 and A/H5/412, which were approved in 2015 and 2019 respectively, also involve a same site (at Queen's Road East) which is immediately adjoining to the Hopewell Centre and Hopewell Centre II within a commercial cluster. For application No. A/H7/172, which was approved in 2017, the application site (at 8 Leighton Road) is the subject of nine planning applications previously approved by the Committee for commercial/office/hotel uses since 1981 and the site is currently used as a hotel. In view of the above, they are different from the subject application either in terms of its site context or planning background and hence, are not relevant to the subject application. As the Site falls within a larger "R(A)" zone and there are other "R(A)" zones located in the vicinity, approval of the subject application may set an undesirable precedent for similar applications resulting in cumulative loss of residential land.

Public Comments

6.11 There are public comments opposing the review application on various grounds in terms of land use, building safety, housing supply, traffic and environment, the assessments above and the comments from the relevant government departments in paragraph 4 above are relevant. As for the public concern on increase in living cost and affordability, they are not land-use related issues.

7. Planning Department's Views

7.1 Based on the assessment made in paragraph 6 above and having taken into account the public comments mentioned in paragraph 5, given that there is no change in the planning circumstances since the consideration of the subject application by the MPC on 13.12.2019, PlanD maintains its previous view of not supporting the application for the following reasons:

- (a) the proposed office development is not in line with the planning intention of the "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 similar applications would aggravate the shortfall in the supply of housing land.

7.2 Alternatively, should the Board decide to approve the application on review, it is suggested that the permission shall be valid until 17.4.2024 and after the said date, the permission shall cease to have effect unless before the said date, the development permitted is commenced or the permission is renewed. The following conditions of approval and advisory clauses are also suggested for Members' reference:

Approval Conditions

- (a) the design and provision of the improvement schemes as proposed in the accepted Traffic Impact Assessment prior to operation of the proposed development to the satisfaction of the Commissioner for Transport or of the Town Planning Board;
- (b) the design and provision of the internal transport facilities to the satisfaction of the Commissioner for Transport or of the Town Planning Board;
- (c) the submission of a Sewerage Impact Assessment (SIA) to the satisfaction of the Director of Environmental Protection or of the Town Planning Board; and
- (d) the implementation of the local sewerage upgrading/sewerage connection works as identified in the SIA to the satisfaction of the Director of Drainage Services or of the Town Planning Board.

Advisory Clauses

The recommended advisory clauses are in **Annex F**.

8. Decision Sought

- 8.1 The Board is invited to consider the application for a review of the MPC's decision and decide whether to accede to the application.
- 8.2 Should the Board decide to reject the application on review, Members are invited to advise what reason(s) for rejection should be given to the applicant.
- 8.3 Alternatively, should the Board decide to approve the application on review, Members are invited to consider the approval condition(s) and advisory clause(s), if any, to be attached to the permission, and the date when the validity of the permission should expire.

9. Attachments

Plan R-1	Location Plan
Plan R-2	Site Plan
Plan R-3 to R-4	Site Photos
Annex A	MPC Paper No. A/H21/151
Annex B	Extract of the Minutes of the MPC Meeting held on 13.12.2019
Annex C	Secretary of the Board's Letter dated 3.1.2020
Annex D	Applicants' Letter dated 20.1.2020 Applying for a Review of the MPC's Decision
Annex E	Public Comments on the Review Application
Annex F	Recommended Advisory Clauses