

REVIEW OF APPLICATION NO. A/K5/793
UNDER SECTION 17 OF THE TOWN PLANNING ORDINANCE

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

1. Background

- 1.1 On 31.1.2018, the applicant, Trend Crown Development Ltd., Billion Best Development Ltd. and Billion State Enterprise Ltd., represented by AWJC Associates Ltd., sought planning permission under s.16 of the Town Planning Ordinance (the Ordinance) for ‘Hotel’ use at 452 Castle Peak Road, Cheung Sha Wan, Kowloon (the Site). The Site falls within an area zoned “Residential (Group A)8” (“R(A)8”) on the approved Cheung Sha Wan Outline Zoning Plan No. S/K5/37 (the OZP) (**Plan R-1**). According to the Notes of the OZP for the “R(A)” zone, ‘Hotel’ is a Column 2 use which requires planning permission from the Town Planning Board (the Board).
- 1.2 The proposal involves redevelopment of the existing low-rise tenement building into a 11-storey hotel. The Site occupies an area of 103.2m². The proposed total gross floor area (GFA) is 928.20m², with total plot ratio (PR) of 8.99 and building height (BH) of 39.2mPD. There will be no internal transport facilities.
- 1.3 On 16.3.2018, the Metro Planning Committee (the MPC) of the Board decided to reject the application on the following grounds:
 - (a) the application 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 predominant 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, which would affect the supply of housing land in meeting the pressing housing demand over the territory;
 - (b) 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.

1.4 For Members' reference, the following documents are attached:

- (a) MPC Paper No. A/K5/793 (Annex A)
- (b) Extract of minutes of the MPC meeting held on 16.3.2018 (Annex B)
- (c) Secretary of the Board's letter dated 6.4.2018 (Annex C)

2. Application for Review

2.1 On 19.4.2018, the applicant applied, under s.17(1) of the Ordinance, for a review of the MPC's decision to reject the application. In support of the application, the applicant has submitted the following documents:

- (a) Applicant's letter dated 19.4.2018 applying for a review of the MPC's decision (Annex D)
- (b) Applicant's letter dated 12.9.2018 providing written representation in support of the s.17 review (including revised development proposal and a traffic impact assessment report) (Annex E)
- (c) Applicant's letter dated 5.11.2018 providing further information (FI) clarifying the development parameters of the revised proposal (Annex F)
- (d) Applicant's letter dated 13.11.2018 providing FI clarifying the development parameters of the revised proposal (Annex G)

2.2 The applicant has slightly revised the development proposal (**Drawings R-1 and R-2**). Major development parameters of the revised development proposal, as compared to the original development proposal under s.16 application, are as follows:

Development Parameters	Original Proposal (s.16 application) (a)	Revised Proposal (s.17 review) (b)	Difference (b) – (a) (%)
Site Area	103.20m ²	103.20m ²	-
Total GFA (about)	928m ²	921m ²	-7m ² (-0.75%)
Total PR (about)	8.99	8.93	-0.06 (-0.67%)
Site Coverage			
-Below 15m	96.19%	96.19%	-
-Above 15m	79.69%	79.69%	-
No. of Storeys	11 (no basement)	11 (no basement)	-
BH (main roof)	39.2mPD	38.6mPD	-0.6m (-1.53%)
No. of Guestrooms	40	38	-2 (-5%)
Unit Size of Guestrooms	(information not provided)	7.25m ² – 18.87m ²	not applicable
Parking and Loading/Unloading Provision	Nil	Nil	-
Main uses by Floor			
G/F	Hotel Lobby and Cafe	Hotel Lobby	Deletion of Cafe
1/F – 10/F	Guestrooms	Guestrooms	-

- 2.3 The review application was originally scheduled for consideration by the Board on 13.7.2018. On 13.7.2018, the Board decided to defer a decision on the review application for two months as requested by the applicant to address comments from the concerned Government departments. Upon receipt of the FI by the applicant on 12.9.2018, the review application is scheduled for consideration by the Board at this meeting.

3. Justifications from the Applicant

The main justifications put forth by the applicant in the written submission (**Annex E**) in support of the review application can be summarized as follows:

- (a) The proposed hotel is the only feasible and sensible redevelopment option. The site area is small and there is no incentive for the landowner to redevelop the site for residential redevelopment with six storeys (**Drawing R-3**) and GFA of 321.96m² (PR 3.12). It is also not viable to redevelop for a 11-storey residential building (**Drawing R-4**) as the area of the residential unit is only 0.59m² each floor after reducing an area of 42.75m² for the service core (e.g. lift, staircase) from the total available area of 43.34m² based on the permitted site coverage (SC) of 42% under the Building (Planning) Regulations (B(P)R).
- (b) With the existing residential development on the Site, there is minimal loss of the residential space should the hotel development be approved. If the lower three floors of the existing development are used for non-domestic uses, there will be no loss of residential space. A lot of “Commercial/Residential” (“C/R”) zones were converted to “Commercial” (“C”) zone, thus reducing land for residential use. The concern of the loss of residential land can be addressed by other policies such as rezoning the “C” zones to “C/R” zones and relaxation of PR.
- (c) Approval of the proposed hotel would not set an undesirable precedent of similar applications in the area because the site conditions are different. The Planning Department (PlanD) should review each individual application on its own merits and circumstances. The landowner will evaluate the redevelopment potential of their land depending on market demand and commercial viability. The only sensible and feasible option for the Site is to develop a boutique hotel. The proposal will improve the environment and bring energy to the area.
- (d) There is a shortage of hotel accommodation capacity for budget visitors, and a lot of visitors stay in ‘unlicensed’ boarding units. The proposed boutique hotel can help address the shortage.
- (e) The submitted Traffic Impact Assessment (TIA) demonstrated that there will be no adverse impacts on the existing traffic in the surrounding area. The maximum occupancy of the proposed hotel is 76 guests only. They will not come and go all at the same time. No coach/tour bus services will be required. The Site will be served by public transport and there are sufficient public car parking spaces on streets and in buildings in the vicinity. Loading/unloading will be carried out at Tsap Fai

Street by trolley to the Site via the rear lane.

- (f) To address Buildings Department's comments on the application, the revised proposal has included a lift as fireman's lift and disabled lift, disabled access at the main entrance and provision of guestrooms for disabled guests. Besides, to address Lands Department's comments, the proposed cafe on the G/F in the original development proposal under s.16 application has been deleted.

4. The Section 16 Application

The Site and its Surrounding Areas (Plans R-1 and R-2 and site photos on Plan R-3)

4.1 The situation of the Site and its surrounding areas at the time of consideration of the s.16 application by the MPC are described in paragraph 6 of **Annex A**. There has been no material change of the situation since then.

4.2 The Site is :

- (a) occupied by a four-storey (including a mezzanine floor) tenement building. Ground floor is occupied by a cafe and the upper floors are used for residential purpose;
- (b) abutting Castle Peak Road with a service lane at the rear; and
- (c) flanked by residential buildings in its immediate surroundings.

4.3 The surrounding areas have the following characteristics :

- (a) to the east and south of the Site is predominantly residential buildings with commercial uses on the lower floors, mixed with two commercial buildings near the junction of Castle Peak Road and Cheung Wah Street. One of them is zoned "Other Specified Uses" annotated "Hotel" ("OU(Hotel)"), which was rezoned from "R(A)" on 15.8.2008 upon the then rezoning request (No. Y/K5/1) for internal conversion of an existing commercial/office building for hotel purpose. However, the hotel development has not yet been implemented. The other existing commercial building is located next to the said "OU(Hotel)" site;
- (b) to the west of the Site is an established Cheung Sha Wan Industrial/Business Area which is predominantly zoned "Other Specified Uses" annotated "Business";
- (c) to the north of the Site is the Caritas Medical Centre; and
- (d) the Site is easily accessible by various modes of public transport, with MTR Cheung Sha Wan Station and Lai Chi Kok Station within walking distances.

Planning Intention

- 4.4 There has been no change of the planning intention of the “R(A)” zone, which is primarily for high-density residential developments. Commercial uses are always permitted on the lowest three floors of a building or in the purpose-designed non-residential portion of an existing building.

Previous Applications

- 4.5 There is no previous application at the Site.

Similar Applications

- 4.6 Details of the similar applications at the time of the consideration of the s.16 application are mentioned in paragraph 5 and Appendix II of **Annex A**. Since then, there has been no additional similar application. A summary of the similar applications is provided below:

- (a) There are 13 similar applications for hotel use within “R(A)” zone in the Cheung Sha Wan Planning Scheme Area since 2000 (**Plan R-1**) considered by the MPC. Out of them, four were approved with conditions and nine were rejected.
- (b) Among the approved applications, almost all of them except one were approved before the announcement of 2013 Policy Address which stated that the top priority of the Government was to tackle the housing problem and supply shortage lied at the heart of the prevailing housing problem. For the one which was approved (No. A/K5/730) after the aforesaid Policy Address, the application site was within an area with existing industrial buildings in the immediate surroundings and the proposed hotel would alleviate the industrial/residential interface problems in the area.
- (c) Two (Nos. A/K5/696 and 724) out of the four approved cases have commenced with building plan submissions approved. But the other two (Nos. A/K5/718 and 730) have not been implemented and the planning approvals have lapsed.
- (d) For the nine rejected applications, five of them were rejected before the 2013 Policy Address. The main rejection reasons were on land use compatibility and provision of car parking facilities.
- (e) Among the four cases rejected after the 2013 Policy Address, three (No. A/K5/731, No. A/K5/736 (rejected upon review) and No. A/K5/755) were for either redevelopment or wholesale conversion of the existing building. They were rejected mainly due to the current shortfall in housing supply and the sites should be developed for the zoned use and there were no planning merits to justify the proposed development. The remaining one (No. A/K5/769) was for partial conversion of an existing composite building and was rejected mainly due to non-provision of separated and independent access from other portions of the existing building.

5. Comments from Relevant Government Departments

- 5.1 Comments on the s.16 application made by relevant Government departments are stated in paragraph 8 of **Annex A**.
- 5.2 For the review application, the following Government departments have been further consulted and their comments are summarised as follows:

Land Administration

- 5.2.1 Comments of the District Lands Officer/Kowloon West, Lands Department (DLO/KW, LandsD):
- (a) No objection to the application.
 - (b) The Site falls within the Remaining Portion of NKIL No. 1181 (“the Lot”) which is governed by Government Lease dated 23.6.1929. The lease governing the Lot is virtually unrestricted except for “non-offensive trades” and “rate and range” clause¹.
 - (c) The proposal submitted by the applicant does not conflict with the lease conditions governing the Premises. Notwithstanding this, detail design of the development will be further scrutinised at the building plan stage and there is no guarantee that the schematic design as presently proposed to be reflected in the building plan submission(s) will be accepted under lease.
 - (d) The lot owners are reminded that they have to verify their adopted area of the Lot with evidence as appropriate in their building plan submission for the proposed ‘hotel’ use. Detailed comment on the proposal would be reserved until building plan stage.

Building Matters

- 5.2.2 Comments of the Chief Building Surveyor/Kowloon, Buildings Department (CBS/K, BD):
- (a) No objection to the application.
 - (b) Sustainable building design guidelines promulgated under PNAP APP-152 should be complied with if GFA concession for non-mandatory/non-essential plant rooms and services and green/amenity features is claimed.

¹ The “rate and range” clause : “...which said message or tenement messages or tenements shall be of the same rate of building elevation character and description and shall front and range in a uniform manner with the buildings (if any) immediately adjoining in the same Street...”

- (c) Subject to complying with the criteria and requirements as set out in PNAP APP-40, hotel concession under B(P)R 23A treating the hotel as a non-domestic building would be considered at building plan submission stage.
- (d) Provision of natural lighting and ventilation should be provided to all guestrooms in compliance with B(P)R 30 & 31.
- (e) Detailed comments under the Buildings Ordinance (BO) can only be formulated at the building plan submission stage.
- (f) In respect of the public comments about structural safety during demolition works at the Site (**Annex I**), the building professionals and registered contractors carrying out the works have statutory duties for co-ordinating, supervising and carrying out building works to ensure safety. Detailed comments under the BO would be provided at the demolition plan and building plan submission stages.

Traffic

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

- (a) No objection to the review.
- (b) On applicant's proposal of surrender of land for lane widening, he would have no comment on taking up the management responsibility of the surrendered area provided that Highways Department agrees to take up the maintenance responsibility.

Environment

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

- (a) No objection to the review.
- (b) If the application is approved, the following approval conditions should be imposed:
 - (i) the submission of a Sewerage Impact Assessment to the satisfaction of the DEP or of the Board; and
 - (ii) the implementation of the local sewerage upgrading/sewerage connection works identified in planning condition (i) above to the satisfaction of the Director of Drainage Services or of the Board.
- (c) Regarding the public comments on the potential dust and noise issue during construction of the proposed development (**Annex I**), the applicant should implement pollution control measures such as quality

powered mechanical equipment and closely liaise with the residents of the nearby buildings with a view to minimising the short-term environmental impacts including dust and noise during works. With proper implementation of the mitigation measures, adverse construction impacts arising from the project are not anticipated.

Urban Design and Landscape

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

- (a) In respect of the public concerns that the proposed building will affect the views and air ventilation of the residents on the lower floors of the adjoining building (**Annex I**), the proposed development does not exceed the building height restriction as stipulated on the OZP. The application involves the change of land use. Considering the size of the site and scale of the proposed development, no significant adverse air ventilation impact is anticipated.
- (b) CTP/UD&L, PlanD also maintains his previous views on the s.16 application as below:

Urban Design

- (i) Significant visual impact is not anticipated.
- (ii) The Site abuts on Castle Peak Road alongside a row of low-rise composite buildings to its immediate west with a BH of about 21mPD to 31mPD, two high-rise composite buildings with BH of about 76mPD and 110mPD to its immediate east and to the further west respectively. He has no particular comment on the proposed hotel development.

Landscape

- (i) No objection to the application from the landscape point of view.
- (ii) The Site is fully occupied by the existing building with no existing vegetation found and the proposed use is not incompatible with the surrounding as well as the existing landscape character.
- (iii) In view of the small site area and the approaching 100% site coverage in the application, it is infeasible to implement any meaningful landscaping treatment within the site boundary and thus landscape condition is not recommended, should the application be approved.

Licensing

5.2.6 Comments of the Chief Officer (Licensing Authority), Home Affairs Department (CO(LA), HAD):

- (a) Regarding the applicant's statement that there are a lot of visitors stay in 'unlicensed' boarding units, according to the Hotel and Guesthouse Accommodation Ordinance (HAGAO) (Cap.349), "hotel" and "guesthouse" mean any premises whose occupier, proprietor or tenant holds out that, to the extent of his available accommodation, he will provide sleeping accommodation at a fee for any person presenting himself at the premises. If the mode of operation falls within the definition of "hotel" or "guesthouse" in the Ordinance, a licence under the Ordinance must be obtained before commencing operation, unless all accommodation in the premises is provided for a period of 28 consecutive days or more for each letting which is exempted under the Hotel and Guesthouse Accommodation (Exclusion) Order (Cap. 349C). The Office of the Licensing Authority will investigate and take necessary enforcement action when information of suspected unlicensed hotel or guesthouse operation is noted.
- (b) CO(LA), HAD also maintains his previous views on the s.16 application as below:
 - (i) No objection to the application under the HAGAO, Cap. 349.
 - (ii) The applicant should submit a copy of the occupation permit for the proposal hotel when making an application under the HAGAO, Cap. 349.
 - (iii) The proposed licensed area should be physically connected.
 - (iv) As insufficient information in relation to the fire service installations have been provided in the proposal, comment on the aspect of fire service provisions cannot be made at present. The applicant shall observe relevant section of the Code of Practice for Minimum Fire Services Installation and Equipment.
 - (v) The licensing requirements will be formulated after inspections by the HAD's Building Safety Unit and Fire Safety Team upon receipt of an application under the HAGAO.

- 5.3 The following Government departments have no further views/comments on the review application and maintain their previous views on the s.16 application as below :

Traffic

- 5.3.1 Comments of the Chief Highway Engineer/Kowloon, Highways Department (CHE/K, HyD):

- (a) No comment on the application.
- (b) On the applicant's proposal of surrender of land for lane widening, he would have no objection to taking up the maintenance responsibility of the surrendered land provided that Transport Department (TD) agrees to take up responsibilities of the said area and the said area is constructed in compliance with highway's standard.

Fire Safety

- 5.3.2 Comments of the Director of Fire Services (D of FS):

- (a) No objection in principle to the application subject to the fire service installations and water supplies for firefighting being provided to the satisfaction of his Department.
- (b) Detailed fire safety requirements will be formulated upon receipt of formal submission of general building plans.
- (c) The arrangement of emergency vehicular access shall comply with Section 6, Part D of the *Code of Practice for Fire Safety in Buildings 2011* which is administered by the BD.

Tourism

- 5.3.3 Comments of the Commissioner for Tourism (C for Tourism):

- (a) Supports the proposed hotel development at the Site provided that it is agreeable to all relevant Government departments, and that the applicant is able to meet all requirements laid down by the relevant departments.
- (b) Hong Kong registered 58.47 million visitor arrivals in 2017. Amongst them, 48% (27.9 million) were overnight visitors. Hotel occupancy rate in the past decade in general stood at a high level of over 80%. To enhance the appeal of Hong Kong as an international convention, exhibition and tourism capital, it is necessary to ensure the provision of adequate hotel facilities.
- (c) The proposed hotel development in Cheung Sha Wan will help increase the provision of hotel facilities, broaden the range of

accommodations for our visitors, and support the rapid development of convention and exhibition, tourism and hotel industries.

Electrical and Mechanical Services

5.3.4 Comments of the Director of Electrical and Mechanical Services (DEMS):

(a) Electricity Safety

- (i) No particular comment on the application from electricity supply safety aspect.
- (ii) However, in the interests of public safety and ensuring the continuity of electricity supply, the parties concerned with planning, designing, organising and supervising any activity near the underground cable under this application should approach the electricity supplier (i.e. CLP Power) for the requisition of cable plans to find out whether there is any underground cable and/or overhead line within and/or in the vicinity of the Site.
- (iii) The parties concerned should also be reminded to observe the Electricity Supply Lines (Protection) Regulation and the “Code of Practice on Working near Electricity Supply Lines” established under the Regulation when carrying out works in the vicinity of the electricity supply lines.

(b) Town Gas Safety

- (i) There is an intermediate pressure underground town gas pipeline (running along Castle Peak Road and Un Chau Street) in the close vicinity of the Site. The future developer/consultant/works contractor shall therefore liaise with the Hong Kong and China Gas Company Limited in respect of the exact locations of existing or planned gas pipes/gas installations within/in the vicinity of the Site and any required minimum set back distance away from them during the design and construction stages of development.
- (ii) The future developer/consultant/works contractor is required to observe the requirements of the Electrical and Mechanical Services Department’s “Code of Practice on Avoiding Danger from Gas Pipes” for reference.

Heritage Conservation

5.3.5 Comments of the Antiquities and Monuments Office (AMO):

- (a) No comment on the application.
- (b) There is no graded or proposed to be graded historic building(s) nor

new item(s) pending heritage assessment by the Antiquities Advisory Board located within or adjacent to the application site.

District Officer's Comments

5.3.6 Comments of the District Officer (Sham Shui Po), Home Affairs Department (DO(SSP), HAD):

- (a) No comment on the application.
- (b) However, it should be noted that the Housing Affairs Committee (HAC) under the Sham Shui Po District Council discussed the application at its meeting on 1.3.2018. HAC members viewed that the application would adversely affect the traffic, pedestrian flow and environmental hygiene in the vicinity, as well as the structure of the nearby building. As the applicant failed to provide environmental impact assessment report and other relevant risk assessment reports to ease the concerns, the HAC objected to the application (the extract of the minutes is at **Annex H**).

5.4 The following Government departments maintain their previous views of having no objection to/no comments on the application as stated in paragraph 8.2 of **Annex A**:

- (a) Commissioner of Police (C of P);
- (b) Chief Engineer/Construction, Water Supplies Department (CE/C, WSD);
- (c) Chief Engineer/Mainland South, Drainage Services Department (CE/MS, DSD); and
- (d) Director of Food and Environmental Hygiene (DFEH).

6. Public Comments Received During the Statutory Publication Period

6.1 On 27.4.2018 and 21.9.2018, the review application was published for public inspection. During the three weeks of the statutory public inspection periods, which ended on 18.5.2018 and 12.10.2018 respectively, 12 public comments were received (**Annex I**). Two are from the same Sham Shui Po District Councillor, seven from the owners or residents of the adjoining buildings, and three are from individuals. All of them object to or express grave concerns on the application.

6.2 The main reasons of objection and concern are summarised as follows:

- (a) the proposed hotel development will attract more traffic which will aggravate the congestion problem of the area;
- (b) the construction works of the proposed hotel development will generate nuisances to the subject residential area and create adverse impacts on visual and air ventilation;
- (c) the Site should be for residential development to address the shortage of housing land; and

- (d) the proposed hotel development would affect the structural safety of its adjoining old tenement building as they share the same wall and generate dust and noise during construction.

7. Planning Considerations and Assessments

- 7.1 The subject application is for a review of the MPC decision on 16.3.2018 to reject the s.16 application for a proposed 11-storey hotel at the Site. The rejection reasons are mainly that (a) the proposed hotel development is not in line with the planning intention of the “R(A)8” zone for high-density residential developments resulting in reduction of sites for residential developments; (b) the submission fails to demonstrate no adverse traffic impact on the surrounding areas; and (c) it would set an undesirable precedent for similar applications in the area aggravating the shortfall in the supply of housing land.
- 7.2 The applicant submitted written representation to support the review application in response to the MPC’s rejection grounds. Besides, the original proposal of hotel development has been slightly revised by provision of a lift as fireman’s lift and disabled lift, disable access at the main entrance and guestrooms for disabled guests, and deletion of the proposed cafe on the G/F compared with original proposal to address the comments of the concerned departments. The development parameters of the proposed GFA, PR, BH and number of guestrooms have also been slightly reduced. These changes do not result in a material change of the nature of the application. There has been no material change in the planning circumstances of the case since the consideration of the s.16 application by the MPC on 16.3.2018. Whilst the applicant has addressed the traffic issue by submitting a TIA with no adverse comment from TD, the planning considerations and assessments as set out in paragraph 10 of **Annex A** remain basically valid and there is no strong justification to warrant a departure from the MPC’s decision of rejecting the application.

Planning Intention and Local Character

- 7.3 The subject review application is for a proposed hotel development within “R(A)8” zone, which is intended primarily for high-density residential developments. The Site is located within a predominantly residential neighbourhood with high-density developments, mixed with two commercial buildings (**Plans R-2 and R-3**). The proposed hotel development is considered not incompatible with the surrounding developments in land use term. However, it is not in line with the planning intention of the “R(A)8” zone which is intended primarily for high-density residential developments.

Housing Land Supply

- 7.4 Regarding hotel applications in “R(A)” zone, the MPC had a thorough discussion on the implications of approving applications for hotel developments on “R(A)” sites after the 2013 Policy Address announcement, that the Government would

undertake measures to increase housing land supply, and agreed that, in view of the current shortage of housing land in meeting the pressing housing demand of the community, applications for non-residential uses including hotel and office in a predominantly residential area would in general not be supported unless with very strong justifications. The MPC takes the view that sites zoned for residential use should generally be retained for residential development unless with very strong justifications. In this regard, the applicant has not provided strong justification to demonstrate that the proposed hotel development would meet a specific planning objective.

- 7.5 The proposed hotel development would result in reduction of sites available for residential developments and the supply of housing land in meeting the pressing housing demand over the territory. The applicant claims that the area of the Site is small and there is no incentive or not viable for residential development as the area for service core (e.g. lift, staircase) would occupy much area available for residential flats. As shown in the notional scheme for a six-storey residential development (**Drawing R-3**) submitted by the applicant, a residential development with six storeys and PR of 3.12 could be developed on the Site, though the maximum PR of 7.5 permitted under the “R(A)” zone of the OZP is not achievable.
- 7.6 Regarding the applicant’s justification that lots of “C/R” zones were converted to “C” zones thus reducing land for residential use and the “C” zones could be rezoned to “C/R” to address the shortage of housing land supply, the exercise of rezoning the “C/R” sites to “C” or “R(A)” sites in various OZPs was to provide a clear planning intention for these sites, having considered the development characters of the respective areas. For the Cheung Sha Wan OZP, the Site and its surrounding area were previously zoned “C/R” on the draft Cheung Sha Wan OZP No. LK 5/32. On 6.3.1981, the draft Cheung Sha Wan OZP No. LK 5/32C incorporating amendments to rezone the “C/R” sites including the Site to “R(A)” was exhibited for public inspection for the reason that the planning application system provided the flexibility for commercial uses at desirable locations.

Undesirable Precedent/Consideration on Individual Merits of Each Case

- 7.7 Regarding the applicant’s claim that PlanD should review each individual application on its own merits, PlanD has all along considered each proposal on its individual planning merits. The applicant is required to provide strong justifications to support the application for hotel or other uses which would depart from the planning intention of the “R(A)” zone. In cases where the development proposal would meet a specific planning objective, favourable consideration would be given for such applications. In the Cheung Sha Wan area, Application No. A/K5/730 for a proposed hotel development in the “R(A)” zone as mentioned in paragraph 4.6(b) above is an example (**Plan R-1**). The application was approved taking into account the merit that the proposed hotel development would alleviate the industrial/residential interface problem in the area. Except this application, all applications for hotel in “R(A)” zone in Cheung Sha Wan considered by the MPC after the 2013 Policy Address were rejected mainly on the reason of shortage of housing supply and insufficient planning merits to justify the case.

- 7.8 The Site is within an area predominantly residential in nature, which cannot be regarded as highly suitable for hotel use. There is also no specific planning objective that the proposed hotel development could strive to meet. Approval of the subject application would set an undesirable precedent for similar applications for hotel in the area, and the cumulative effect of approving such applications would aggravate the shortfall in housing land supply and jeopardise the planning intention of the “R(A)” zone.

Technical Aspects

- 7.9 With regard to the issue of small site area, under the “R(A)8” zone, an additional allowance of 20m of building height (i.e. 120mPD) will be permitted for residential sites with area 400m² or more to cater for amalgamation of smaller sites and this would facilitate a reasonable layout with larger site area.
- 7.10 Other departments including CBS/K of BD, C for T, DEP, CE/MS of DSD, CHE/K of HyD, D of FS, DEMS, CE/C of WSD, DLO/KW of LandsD and CTP/UD&L of PlanD have no objection to/adverse comment on the application. C for Tourism expresses supportive comments on the application.

Hotel Demand

- 7.11 Located to the west of and near the Site is the Cheung Sha Wan Industrial/Business Area which is predominantly zoned “Other Specified Uses” annotated “Business”(“OU(B)”) on the OZP. Hotel development will be allowed² in the “OU(B)” zone after obtaining s.16 planning approval from the Board. To the east of the Site near the junction of Castle Peak Road and Cheung Wah Street is a site zoned “OU(Hotel)” as mentioned in paragraph 4.3(a) above for hotel development.
- 7.12 Regarding the public comments received, the planning assessment above and departmental comments in paragraph 5 are relevant.

8. Planning Department’s Views

- 8.1 Based on the assessments made in paragraph 7 above, the Planning Department maintains its previous view of not supporting the application for the following reasons:
- (a) the application is not in line with the planning intention of the “Residential (Group 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, which would affect the supply of housing land in meeting the pressing housing demand over the territory; and

² According to the Notes of the OZP for “OU(B)” zone, hotel is a Column 2 use in buildings other than industrial or industrial-office buildings, but neither a Column 1 or 2 use in industrial or industrial-office buildings.

- (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.

8.2 Alternatively, should the Board decide to approve the application, it is suggested that the permission shall be valid until 23.11.2022, 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 provision of fire service installations and water supplies for firefighting to the satisfaction of the Director of Fire Services or of the Town Planning Board;
- (b) the submission of a Sewerage Impact Assessment to the satisfaction of the Director of Environmental Protection or of the Town Planning Board; and
- (c) the implementation of the local sewerage upgrading/sewerage connection works identified in condition (b) above to the satisfaction of the Director of Drainage Services or of the Town Planning Board.

Advisory clauses

The recommended advisory clauses are attached at **Annex J**.

9. Decision Sought

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

10. Attachments

Annex A	MPC Paper No. A/K5/793
Annex B	Extract of minutes of the MPC meeting held on 16.3.2018
Annex C	Secretary of the Board's letter dated 6.4.2018
Annex D	Applicant's letter dated 19.4.2018 applying for a review of the MPC's decision

Annex E	Applicant's letter dated 12.9.2018 providing written representation in support of the s.17 review (including revised development proposal and a traffic impact assessment report)
Annex F	Applicant's letter dated 5.11.2018 providing FI clarifying the development parameters of the revised proposal
Annex G	Applicant's letter dated 13.11.2018 providing FI clarifying the development parameters of the revised proposal
Annex H	Extract of minutes for meeting of the HAC under the Sham Shui Po District Council on 1.3.2018
Annex I	Public comments on the review application
Annex J	Recommended advisory clauses
Drawings R-1 and R2	Layout plans for proposed hotel under the s.17 review application
Drawing R-3	Layout plans for notional scheme of six-storey residential development submitted by the applicant
Drawing R-4	Layout plans for notional scheme of 11-storey residential development submitted by the applicant
Plan R-1	Location plan
Plan R-2	Site plan
Plan R-3	Site photos

**PLANNING DEPARTMENT
NOVEMBER 2018**