LEGISLATIVE COUNCIL ESTABLISHMENT SUB-COMMITTEE

Proposed retention of two supernumerary posts of one Principal Government Town Planner (D3) and one Government Architect (D2) in the Works Branch of Development Bureau for four years and nine months with effect from 1 July 2017 to 31 March 2022 to continue taking forward the policy initiative of Energizing Kowloon East

Follow-up Actions Arising from the Discussion at the Meeting on 18 January 2017

Supplementary information requested by the Establishment Sub-Committee on 18 January 2017 is provided below:

(a) in respect of the establishments for art, culture and creative groups, compare their number, the rent and rental floor area over the past few years

Under the Survey on Business Establishments in Kowloon East (May 2011) and 2014 Area Assessments of Industrial Land in the Territory (August 2015), both undertaken by the Planning Department and projected from the sampling data of over 40% of industrial and industrial-office buildings, the estimated number of arts, culture and creative groups in Kowloon East, which was over 400 establishments, had remained at a rather similar level over time. Given the objective of the 2014 Area Assessments was to provide an updated overview and trend analysis of industrial land utilization, particulars of the different establishments such as rents and floor area were not covered in the questionnaire. Hence, the information about rents and floor area of the establishments for art, culture and creative groups in the two studies cannot be compared.

(b) the ratio of public housing and private housing in Kai Tak Development Area

The Government reserved land for public housing and private housing development in formulating the Preliminary Outline Development Plan (PODP) through an extensive three-stage public consultation under the Kai Tak Planning Review from 2004 to 2006. The Kai Tak Outline Zoning Plan (OZP) was revised on the basis of the PODP. Based on the approved Kai Tak OZP, the number of flats to be produced was about 33,900 with a public-private housing mix of about 41:59. The total number of flats is now increased to 49,900 including additional 6,000 flats for public housing, while the public-private housing mix is maintained.

(c) the basis for the projected additional 4.7 million m² commercial/office floor space, and the floor space of those unable to be redeveloped or converted due to fragmented ownership

The projected additional supply of about 4.7 million m² commercial/office floor space in Kowloon East is an aggregate of the new supply from Kai Tak Development (KTD), Kowloon Bay Business Area (KBBA) and Kwun Tong Business Area (KTBA). KTD will provide about 1.8 million m² additional commercial/office floor space, whereas the two Business Areas have potential to further provide about 2.9 million m² through redevelopment and conversion projects. On the other hand, due to fragmented ownership and other constraints, about 120 industrial buildings involving 2.6 million m² floor area have lower propensity to be redeveloped or converted to other uses.

(d) the list of government offices to be relocated to Kowloon East, and such principle

The Government's accommodation policy is to meet government office needs in owned accommodation as far as possible and relocate those government offices with no specific locational requirements out of high-value areas. determining the locations for new government office buildings, the Government will take into account various factors including operational needs, locational requirements, whether there are suitable sites for government-owned office use and cost-effectiveness. We will also ensure that there would be no adverse impact on the operational efficiency of the departments and the provision of public services as far as possible. Re-using the West Wing of the former Central Government Offices (CGO) for office use by the Department of Justice (DoJ) and law-related organisations is an example. It illustrates that due to operational needs, i.e. the agglomeration of high court and law firms in Central and Admiralty, the arrangement will enable all relevant offices of DoJ to be accommodated in the former CGO to achieve overall operational and service efficiency, and to enhance Hong Kong's position as a hub for international legal and dispute resolution services in the Asia-Pacific Region.

This policy is in line with the planning for economic land under Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030 (Hong Kong 2030+). According to Hong Kong 2030+, Kowloon East offers an alternative choice for companies and business undertakings which do not require prestigious areas to operate.

The government offices being or to be relocated to Kowloon East are tabulated below.

Government Offices	Bureaux/Departments	Status
Building		
Trade and Industry	Architectural Services Department	Moved in
Tower	Census and Statistics Department	
	Customs and Excise Department	
	Education Bureau	
	Electrical and Mechanical Services Department	
	Highways Department	
	Labour Department	
	Lands Department	
	Post Office	
	Social Welfare Department	
	Trade and Industry Department	
	Working Family and Student Financial Assistance Agency	
Inland Revenue	Inland Revenue Department	2022
Tower		(tentative)
HK Post's	Post Office	Under
Headquarters		planning

(e) how to plan the space requirement for elderly service, whole-day early childhood education and child care service in area covered by Energizing Kowloon East initiative

The aim of the Energizing Kowloon East initiative is to advocate the overall planning and design directions, facilitate public and private developments, implement necessary public works projects, and take such initiatives that are conducive to expediting the transformation of Kowloon East into an additional core business district (CBD) to support Hong Kong's economic development. In respect of educational and social welfare services, the Planning Department is to reserve suitable space in developments in accordance with the requirements of the concerned policy bureaux and the Hong Kong Planning Standards and Guidelines (HKPSG).

According to the HKPSG, as nursery classes and kindergartens can be accommodated on the lower floors of residential and commercial developments, provision in general is planned in certain public housing estates and large-scale private development projects where part of the floor space can be set aside for these purposes. The current standard for the provision of kindergartens places is 730 half-day (HD) and 250 whole-day (WD) places for every 1 000 children in the age group of three to under six. Under the Free Quality Kindergarten Education Policy which will be implemented starting from the 2017/18 school year, the Education Bureau is reviewing the provision standard. Having regard

to the need, the Education Bureau would revise the standard to 500 HD and 500 WD places for every 1 000 children aged between three and six as a long term goal to increase the provision of WD places to meet the demand and to support working parents.

In line with the Government's elderly policy of "ageing in place as the core, institutional care as back-up", the Social Welfare Department (SWD) has all along been striving to identify suitable sites or premises for setting up elderly SWD adopts a multi-pronged approach to increase the service facilities. number of places for elderly services. Apart from making good use of the space of subvented residential care homes for the elderly (RCHEs) and purchasing places of private homes with good quality, SWD actively identifies sites for the construction of RCHEs to cater for long, medium and short-term needs. SWD maintains close communication with the relevant departments in the land use planning process for the provision of elderly service facilities in suitable government and private developments. In addition, SWD actively explores the feasibility of converting vacant government properties and schools, etc. into elderly service facilities, and identifies suitable vacant non-residential units and spaces in public housing estates for conversion into elderly service facilities.

(f) how to ensure attention given to the continual development of art, cultural and creative groups under the Energizing Kowloon East initiative

The Government has all along been encouraging and supporting the development of art and cultural activities. In tandem with increasing commercial land supply, the Energizing Kowloon East Office (EKEO) coordinates with the Home Affairs Bureau (HAB)'s policy and assists in the provision of space for arts and cultural activities through planning and other appropriate measures.

In line with EKEO's strategy to promote diversity, we are seizing every opportunity to provide suitable spaces, such as the 'Fly the Flyover 01, 02 and 03', for arts, culture and creative uses.

Of the 41 executed or pending executed special waivers for wholesale conversion in Kowloon East, 13 cases have included 'Place of Recreation, Sports or Culture' use in their proposals. In addition, 29 of the 34 applications currently under processing include such use. These can provide suitable floor space for art and creative industries. Besides, the presence of 120 industrial buildings which have lower propensity to undergo redevelopment or conversion due to fragmented ownership and other constraints in Kowloon East can continue to provide accommodation for the operation and development of the concerned trades/groups.

The Government has been actively exploring opportunities to provide spaces for young artists and budding arts groups to support their artistic creation. Following the ADC Arts Space, which is located in Wong Chuk Hang, launched

by the Hong Kong Arts Development Council, HAB will continue to explore provision of more suitable spaces in support of the development of arts and culture. EKEO will coordinate proactively in the planning of Kowloon Bay Action Area and Kwun Tong Action Area.

Moreover, a site to the west of Kai Tak Station Square is planned for arts and performance related uses providing a gross floor area of 11 600 m², of which 60% shall be used for arts and performance related uses.

(g) information requested via the letter of 17 Jan 2017 tabled by Hon Chu Hoi-dick

I. Commercial Land

(1) According to the Paper, Kowloon East has the potential to provide more land, i.e. another 4.7 million m² over the current supply of 2.3 million m², representing a three-fold increase. Please state where these sites are, their status, i.e. pending for sale or rezoning, with a location map.

Kowloon East has the potential to provide about 4.7 million m² additional commercial/office floor space from KTD, KBBA and KTBA. KTD will provide about 1.8 million m² commercial/office floor space, while the two Business Areas have the potential to provide about 2.9 million m² through redevelopment and conversion, including the Kowloon Bay and Kwun Tong Action Areas (about 0.56 million m²), the King Yip Street commercial site (about 0.11 million m²), and the redevelopment or conversion of existing floor space (about 2.23 million m²). The locations of sites subject to future land sale and rezoning are shown in **Annex A**.

(2) Information of new sites rezoned or to be rezoned for commercial development in the territory:

Development Area	Estimated additional commercial floor area				
Kowloon East	About 4.7 million m ²				
 North Lantau and Airport Airport North Commercial District (Phase I) Tung Chung New Town 	 Retail and Hotel Use: about 200 000 m² Office, Retail and Hotel Uses: about 877 000 m² 				
ExtensionSiu Ho Wan DevelopmentSunny Bay Reclamation	Subject to studySubject to study				
Crossing Facilities Island of Hong Kong-Zhuhai-Macao Bridge	Not more than 500 000 m ² (under study)				

Development Area	Estimated additional commercial floor area			
Wan Chai Development Phase II	About 7,900 m ²			
Hung Shui Kiu	Office Use: about 778 000 m ²			
	Retail Use: about 1 031 000 m ²			
	Hotel Use: about 246 000 m ²			
Lok Ma Chau Loop	Commercial Use: 60 000 m ²			
	(Remaining part for Higher Education/High-tech			
	R&D/Cultural & Creative Industries, totalling 1.13			
	million m ²)			
New Territories North East	Commercial/Retail/Services Uses: about 384 000 m ²			
	(Remaining part for Business and Technology			
	Park/Research & Development Uses, totalling			
	453 000 m ²)			
New Territories North	Subject to study			
East Lantau	Subject to study			
Underground Space Development,	Subject to study			
Caverns, Review of Private				
Recreational Leases				
Total	Total: 8.785 million m ²			
	(excluding the above figures for Higher Education/			
	High-tech R&D/Cultural & Creative Industries,			
	Business and Technology Park/Research &			
	Development Uses)			

(3) Information of the Review of Land Requirement for Grade A Offices, Business and Industrial Uses, or the reports published so far

The core work on the "Review of Land Requirement for Grade A Offices, Business and Industrial Uses" (the Review) has been largely finished with all the major findings incorporated presented in the Hong Kong 2030+ Topical Paper on "Consolidated Land Requirements and Supply Analysis" (the Topical Paper) available on the <u>study website</u>. The outstanding work of the Review is the finalisation of the consultancy report, which is expected to be completed in the first quarter of 2017. That report will be uploaded onto the Hong Kong 2030+ study website upon completion.

The Topical Paper covers projected land requirements for (i) economic uses; (ii) housing; and (iii) government/institution/community uses, open space and transport facilities. The Review assesses the future floor space demand of five types of broad land uses, i.e. CBD Grade A Offices, non-CBD Grade A Offices, General Business, Industries and Special Industries. The other economic uses mainly cover uses that require specific supporting policy measures from relevant

policy bureaux such as Science Park and industrial estates.

(4) What is the average or medium floor space of grade A offices in commercial district? How many companies would be accommodated under a floor space of 4.7 million m²? Please state the reasons for providing such a huge supply in Kowloon East.

We do not have the data requested. KTBA and KBBA provide different types of office space for a variety of companies/trades. The overall average or median floor space of establishments cannot reflect the needs of different types of companies.

Hong Kong 2030+ takes full account of land supply and demand assessments (including short, medium and long-term demand for economic land uses), space available for existing/planned/committed development projects' spatial distribution, transport infrastructure, environmental conditions and a series of guiding principles. We have developed a conceptual spatial framework based on an intensive development model consisting of a metropolitan business core, two strategic growth areas (East Lantau Metropolis and New Territories North) and three axes (Western Economic Corridor, Eastern Knowledge and Technology Corridor and Northern Economic Belt) to guide the future planning and development of economic land.

The metropolitan business core will consist of three districts, including the traditional CBD, which focuses on high value-added financial services and advanced industrial and commercial support services. The CBD2 in Kowloon East provides alternative choice for companies and enterprises which do not require prestigious areas to operate. The CBD3, located close to Hong Kong Island, will be developed into a new smart financial and business support service hub.

According to the Topical Paper, the medium-to-long-term commercial business area includes Kowloon East. Even after including the supply of office space in Kowloon East, there will be still be a shortage of Grade A office supply in the traditional business area. It is estimated that the shortage of floor space will increase from 0.31 million m² in 2033 to 1.06 million m² in 2041.

(5) Traffic congestion in Kwun Tong such as tailback on Kwun Tong Road and Hoi Yuen Road is commonplace. The recent mid-night sale by IKEA at its Kowloon Bay store also caused congestion in the area. What is the increase of traffic trips after the intake of additional 4.7 million m² commercial floor space, and the responses? Papers on relevant traffic impact assessments are requested.

The transformation of Kowloon East and increase in commercial floor space are progressive. In tandem with redevelopment and conversion of some old industrial buildings, industrial floor space in the area will be reduced and the

traffic problems associated with industrial activities (e.g. roadside loading and unloading activities by heavy goods vehicles) will be relieved.

The Government is taking forward a series of transport infrastructures, including Tseung Kwan O – Lam Tin Tunnel which is under construction, the committed Central Kowloon Route, Trunk Road T2 under planning, in order to reduce the traffic loads on major trunk roads and major junctions, to meet the traffic demand of future developments in Kowloon East and to further improve road connectivity between Kowloon East and other districts. The Government is also taking forward mass transit system projects, including MTR Shatin to Central Link which is under construction and the Environmentally Friendly Linkage System under detailed feasibility study (DFS), and improving the walking environment in Kowloon East.

We completed the "KBBA Pedestrian Environment Improvement – Feasibility Study" in August 2016. Please refer to the Executive Summary for details. In addition, we are carrying out the "Pedestrian Environment Improvement Scheme for Transformation of KTAA – Feasibility Study" and completed the Stage 3 Public Engagement exercise in November 2016. Please refer to the Public Engagement Digest for details. The Study is expected to be completed within this year. The two studies proposed an overall improvement framework and recommended a total of 31 traffic improvement schemes. In collaboration with relevant government departments, we have completed a number of short-term improvement schemes and will progressively take forward the medium-term and long-term improvement schemes.

The Civil Engineering and Development Department (CEDD) and the Planning Department have also conducted a traffic review for KTD and its adjoining areas under the Review Study of KTD. The traffic review concluded that the impact to the traffic network arising from developments in the area is acceptable. The Executive Summary of the traffic review is at Attachment XIV of <u>Paper Number 10236</u>.

II. Rezone those undisposed land to GIC

Whether Government would consider rezoning the undisposed site for GIC use, similar to the Jockey Club Creative Arts Centre, to accommodate the affected artists and other local artists and cultural establishments?

Please refer to paragraph (f) above.

III. Environmentally Friendly Linkage System

The expenditure of the study out of the approved funding of \$92M and the reports completed with reference to excerpts from LC Paper No.

CB(1)361/16-17(01) and CB(1)1774/13-14(01).

The DFS, commenced in October 2015, is being conducted in two stages. The first stage of the DFS is to formulate a well-planned integrated multi-modal linkage system by evaluating various green transport modes to enhance the connectivity of Kowloon East, with the most suitable and cost-effective green transport mode to be selected for developing the EFLS scheme at the second stage. CEDD aims at finalizing the first stage of the DFS in the first quarter of 2017, the findings of which will then be made available for public consultation. The DFS is targeted for completion around late 2017. Of the total estimated consultancy fee for the DFS at about \$50M, about \$16M has been spent as at January 2017.

IV. Kai Tak Runway Tip

Information on the completed Planning and Engineering Studies for Kai Tak Fantasy (Phase 1) and on the Runway Park Phase 2 Development study progress.

The Planning and Engineering Study for Kai Tak Fantasy (Phase 1) was undertaken by way of an International Ideas Competition on Urban Planning and Design in order to solicit creative ideas and design excellence, as well as to undertake public engagement and analysis for Phase 2 study. Please refer to the Kai Tak Fantasy website for details of the winning scheme and shortlisted entries.

The Runway Park Phase 2 Development is covered by the Planning and Urban Design Review for Developments at Kai Tak Runway Tip under the Kai Tak Fantasy project. The study was commenced in December 2015, and the public will be consulted this year after carrying out detailed design and technical assessments. The study is anticipated to be completed in early 2018.

V. Relocation of Cha Kwo Ling Marine Refuse Collection Point

The background and progress of the captioned project.

The Cha Kwo Ling Marine Refuse Collection Point (MRCP) is used for handling the marine refuse collected from the New Territories East and Sai Kung waters. The refuse is transported on vessels to the MRCP by sea, followed by road transport to landfill within the same day. The Estuary Garden project is mainly to complement with the Tsui Ping River revitalization project, with a view to further providing open space on the adjoining waterfront and accentuating with the riverside landscape. We are coordinating with the Marine Department on a site search for the reprovision of the MRCP and exploring with relevant departments on the scope and content of the Estuary Garden project.

VI. Domestic Rent

The domestic rent of private buildings in Kwun Tong since the establishment of the EKEO.

There is no residential development within KTBA and KBBA. The change in rental levels of private buildings in Kwun Tong is not directly related to EKEO's work.

VII. Air Quality

What are the EKEO's efforts in combating air pollution in Kwun Tong in the past five years and future plans?

According to the data recorded at the Air Quality Monitoring Stations, there was a discernible declining trend in the concentration of major pollutants from 2011 to 2015. The concentrations of respirable suspended particulates (RSP), fine suspended particulates (FSP), nitrogen dioxide (NO₂), and sulphur dioxide (SO₂) recorded at general air quality monitoring stations dropped by 19%, 24%, 8% and 23% respectively. The concentrations of RSP, FSP, NO₂, and SO₂ recorded at roadside decreased by 26%, 21%, 19% and 33% respectively.

To further improve roadside air quality, the Government has been implementing a host of measures to reduce vehicular emissions, including phasing out pre-Euro IV diesel commercial vehicles progressively by end 2019, funding the franchised bus companies the full cost of retrofitting eligible Euro II and III franchised buses with selective catalytic reduction devices, strengthening control of emissions from LPG and petrol vehicles, fully subsidizing the franchised bus companies to purchase 36 single-deck electric buses for trial runs, and supporting the transport trades to test green innovative transport technologies.

General stations set up on roofs of 2 to 6-storey buildings provide information on air quality to which the public is generally exposed. The data from the general air quality monitoring station in Kwun Tong represent the general air quality in Kowloon East, including Kowloon Bay and Kwun Tong.

Pollutant	Annual Average Pollutant Concentration (μg/m³)					
ronutant	2011	2012	2013	2014	2015	
Nitrogen Dioxide (NO ₂)	63	59	59	54	55	
Fine Suspended Particular (PM 2.5)	-	28	33	31	27	
Respirable Suspended Particular (PM 10)	49	43	52	51	44	
Sulphur Dioxide (SO ₂)	12	11	12	11	8	

The strategic aspects of Kowloon East's smart city initiatives include promoting a "Walkable Kowloon East" through enhancing walkability and encouraging the public to use green transportation so as to reduce carbon footprints and relieve traffic congestion. For environmental protection, energy conservation and improving traffic circulation, the Government has included conditions requiring developers to adopt green building design and provide electric vehicle charging facilities for new land sale sites in Kowloon East as well as supply of real-time parking vacancy information for commercial car parks at appropriate sites. These initiatives can help in improving air quality.

In addition, we are collaborating with the Hong Kong University of Science and Technology (HKUST) to enable the public to better plan their activities. In future, by making use of HKUST's newly developed real-time air quality forecasting system, air quality information within the district would be disseminated to the public through the mobile app "My Kowloon East".

VIII. Tsun Yip Cooked Food Market

The progress of refurbishment of Tsun Yip cooked food market, and whether a higher rent will be resulted.

The phase one improvement works for Tsun Yip Cooked Food Market being undertaken includes upgrading works for barrier free facility (addition of lift tower) and facade face-lifting works. Completion is anticipated in the second quarter of 2017. The phase two improvement works for Tsun Yip Cooked Food Market including electrical, ventilation and fire safety improvement works under tendering will be commenced in the second quarter of 2017. To minimize the disturbance to the existing tenants, the related building services upgrading works for individual stalls will be carried out at nighttime, and as a result completion of works is expected to be in 2019. The Food and Environmental Hygiene Department has an established mechanism on tenancy arrangements for the cooked food market, and the improvement works have no bearing on it.

IX. Music Fountain

The music fountain proposal in Kwun Tong Promenade is objected by locals. A local concern group, Kowloon East Community received massive joint signature suggesting to run mobile dental clinics under the District Council Signature Project Scheme.

(1) How EKEO deals with the massive objection?

The music fountain project is one of the two Signature Projects of the Kwun Tong District Council (KTDC) agreed after considering local views, site visits and a series of deliberations by KTDC. The Government understands that the

community has different opinions and would continue to take account of the views of KTDC and the public in taking forward follow-up actions.

(2) Will it be a waste of resource if the music fountain attracts no visitors, or worsen the traffic situation if it does otherwise?

The music fountain proposal would help enhance the attractiveness of Kwun Tong Promenade. We are pleased to see that the public enjoy visiting the Kwun Tong waterfront. EKEO, in collaboration with the Transport Department and the Highways Department, has been working on various measures to improve the pedestrian environment and traffic in the district. We will continue to take forward more improvement proposals.

X. Public Participation

- (1) The population of public housing estates in Kwun Tong and their participation in EKEO's events.
- (2) The population of private housing flats in Kwun Tong and their participation in EKEO's events

During 2013 to 2016, there were 189 events organized by various groups in Fly the Flyover 01 with over 190,000 participants. These events were free of charge and open to the public. During June 2012 to 2016, there were 10 other large-scale events held in Kowloon East with over 370,000 participants, 8 of which were organized by non-profit-making organizations or subvented organizations. As we did not survey on the home addresses of participants, we cannot provide the data requested.

Concluding Remarks

The aim of the establishment of EKEO is to facilitate the transformation of Kowloon East into another core business district by providing more commercial floor space to sustain Hong Kong's economic development. KTD will provide about 1.8 million m² additional commercial/office floor space after the overall planning review whereas Kowloon Bay and Kwun Tong have the potential to provide another 2.9 million m² through redevelopment and conversion.

Given private redevelopment and conversion projects are largely market-driven, there is a large stock of buildings of various grades at different development stages in Kowloon East capable of providing abundant supply of commercial or industrial floor space for a variety of uses to build a diversified community. The number of establishments in Kowloon East actually increased from 27 000 in 2011 to about 31 000 in 2015, which gives some indication of the continued presence of small and medium enterprises in Kowloon East. Those of the arts, culture and creative groups

have remained at rather similar levels over time, with an estimated number of over 400 establishments. We will continue to seize every opportunity, such as in planning for the development of Kowloon Bay Action Area and Kwun Tong Action Area, to provide suitable spaces to sustain a greater diversity in development.

Development Bureau January 2017

九龍東的商業用地 Commercial Sites in Kowloon East

