# 立法會 Legislative Council

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#### **Panel on Development**

#### **Meeting on 22 October 2024**

#### **Background brief on the development of San Tin Technopole**

#### **Purpose**

This paper provides background information on the development of San Tin Technopole. It also summarizes the views and concerns expressed by Members on related subjects at the meetings of the Panel on Development ("the Panel") and the Subcommittee on Matters Relating to the Development of the Northern Metropolis.

#### **Background**

- The "Outline of the 14th Five-Year Plan for National Economic and 2. Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035" supports Hong Kong's development into an international innovation and technology ("I&T") centre. To take forward this national strategy, the Administration aspires to develop the Northern Metropolis into a new international I&T city. San Tin Technopole is located at the heart of the Northern Metropolis and in close proximity to Shenzhen's I&T zone in Huanggang and Futian. Together with the 87-hectare Lok Ma Chau ("LMC") Loop, San Tin Technopole covers a development area of 627 hectares. It comprises mainly the I&T Park (located mostly to the north of San Tin Highway/Fanling Highway) and San Tin Town Centre (located to the south of San Tin Highway/Fanling Highway). The I&T Park and the Hong Kong-Shenzhen Innovation and Technology Park in the LMC Loop will together provide 300 hectares of I&T land, accounting for about half of the total development area of San Tin Technopole.
- 3. According to the Administration, San Tin Technopole is strategically positioned to be a hub for clustered I&T development that creates synergy with Shenzhen. It will also contribute to the development of the South-North dual engine (finance-I&T), and become a new community for quality, healthy and green living. Works for the development of San Tin Technopole are planned to

be implemented in two phases. Phase 1 mainly covers the I&T land parcels to the north of San Tin Highway/Fanling Highway, some residential land to the south, and key infrastructure areas with road connections. Phase 2 covers the remaining area.

4. As announced by the Administration on 20 September 2024, <sup>1</sup> the statutory planning process for the San Tin Technopole project has been completed. The Administration will continue to press ahead with San Tin Technopole and related projects, and will seek funding approval for the first batch of site formation and infrastructure works for San Tin Technopole from the Finance Committee of the Legislative Council towards the end of 2024, targeting at having the first batch of I&T sites formed in 2026.

#### Major views and concerns expressed by Members

5. At the meetings of the Panel and the Subcommittee on Matters Relating to the Development of the Northern Metropolis, Members have discussed subjects such as the land use proposal of San Tin Technopole and the planning of I&T development in the Northern Metropolis. The major views and concerns expressed by Members are summarized in the ensuing paragraphs.

#### Land use

- 6. Members suggested that the Administration should consider allowing the provision of basic community and commercial facilities on the I&T land to ensure that basic supporting facilities catering to daily living needs would have been available in the I&T Park before the completion of the housing units in San Tin Town Centre in 2031, making it an integrated community suitable for I&T talents to work and live in.
- 7. The Administration advised that the statutory zoning of the I&T land in San Tin Technopole would accommodate a larger range of permitted uses (including talent accommodation and other ancillary facilities) and allow greater flexibility while adhering to the land use planning that focused mainly on I&T. Meanwhile, necessary restrictions would be imposed through administrative means to forestall abuse, such as setting upper limits to the floor area of talent accommodation.

#### Public-private partnership

8. Members concurred with the Administration's proposed planning direction of leveraging diversified means of land disposal and market forces to

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<sup>&</sup>lt;sup>1</sup> Please refer to the <u>press release</u> issued by the Administration for details.

promote the development of San Tin Technopole. They sought details of the forms of public-private partnership and land disposal methods other than open tendering proposed to be adopted. Members took the view that if land was to be granted at nominal or concessionary premium, measures to protect public interests must be put in place to prevent abuse, such as regular review of the economic benefits brought by the admitted enterprises and their research and development outcomes.

- 9. The Administration advised that it contemplated adopting land disposal methods other than open tendering, such as restricted tender and direct grant. The Development Bureau would make corresponding arrangements in land administration matters (including land disposal methods) in the light of the industrial policy of the Innovation, Technology and Industry Bureau ("ITIB"). Under the existing mechanism, approval of the Chief Executive in Council was required for direct grant of land. The Lands Department would also publish the relevant land grant conditions, land premiums, etc., so it would be a transparent process. As for duration, land was granted normally for a lease term of 50 years. The Government might also grant lease terms of less than 50 years in accordance with the land policy. For the I&T land in San Tin Technopole, the lease terms would be determined having regard to the industrial policy of ITIB.
- 10. The Administration further advised that it might impose conditions in the land grant in the light of the nature and development of the admitted enterprise to ensure its economic contribution to Hong Kong, including the requirement that a certain area of the site must be used for I&T development. Meanwhile, the enterprise might be required to meet objectives under the operation agreement. The Government had the right to repossess the site in case of breaches of the agreement.
- 11. Members suggested that the Administration should allow land owners and prospective enterprises to take part in site formation works or some of the infrastructure works with a view to shortening the overall development time of San Tin Technopole. Regarding the Administration's proposal to apply the Enhanced Conventional New Town Approach, thereby allowing in-situ land exchange applications from land owners to carry out developments which accorded with the Government's planning intention, Members opined that the existing requirement of minimum site area for in-situ land exchange (i.e. 4 000 square metres), if applied, could not ensure the provision of sufficient space for development of sizable I&T facilities.
- 12. The Administration advised that one of the forms of public-private partnership considered was to have the admitted enterprise undertake the development of both the I&T and other ancillary facilities (including talent accommodation) on the relevant land parcel in the granting of I&T land. Consideration could also be given to having the enterprise take up the site formation works if that could expedite the development. The Administration

also advised that if the policy of allowing land owners to carry out I&T development projects by way of in-situ land exchange was adopted, the minimum site area requirement for residential development under the land exchange arrangement (i.e. 4 000 square metres) might not apply.

#### Transport infrastructure

- 13. Members pointed out that while San Tin Station of the Northern Link ("NOL") Main Line was expected to be commissioned in 2034, the alignment of the LMC Spur Line of NOL was not yet finalized and no implementation timetable was available. Members were concerned that the construction of these two railway lines lagged well behind the schedule of the first population intake and business intake of San Tin Technopole. They were worried that the existing LMC Spur Line would be overloaded by the population growth by then. Members urged the Administration to **expedite the works of NOL Main Line and NOL Spur Line** with a view to completing the construction by 2030, and provide an account of the implementation progress of NOL Spur Line as soon as possible.
- 14. The Administration advised that San Tin Town Centre was anticipated to supply about 50 000 public and private housing units starting from 2031, and NOL Main Line was expected to commence operation in 2034 at the earliest. The Development Bureau would follow up with the Transport and Logistics Bureau and make efforts to compress the construction time of the railways and advance their commissioning date as far as possible in the light of the implementation timetable of San Tin Technopole. It would also study the arrangements of public road transport services and make use of Kwu Tung Station which would commence operation in 2027 to meet the transport needs of new population in San Tin in the initial phase.

### Demand for electricity power

- 15. Members were concerned about the measures the Administration had in place to meet the **high electricity demand** of data centres, artificial intelligence facilities and other smart and green facilities to be developed in the Northern Metropolis.
- 16. The Administration advised that it would reserve land for data centres and other energy-demanding facilities in places with potential in developing I&T industry in the Northern Metropolis, such as San Tin Technopole and Sandy Ridge. If the development of industries gave rise to special demand for electricity, the Administration would follow up with the power companies and relevant departments to tie in with the future development.

#### Residents and operations affected

- 17. Members noted that the **indigenous villages** situated between the I&T Park and San Tin Town Centre would be preserved. In this connection, Members suggested that the Administration should **assist the villagers in enhancing and redeveloping** the village houses of those villages to match the modern design of San Tin Technopole. Meanwhile, in planning the design and layout of areas surrounding the indigenous villages, efforts should be made to avoid affecting the living environment of villagers as far as possible. Members were also concerned about the **rehousing arrangement for squatter occupants** affected by the development of San Tin Technopole.
- 18. The Administration advised that urban-rural integration would be fostered by appropriate urban design, including application of the stepped development profile as far as practicable, under which the development density would increase gradually from the areas surrounding the villages to further peripheries. addition, the Administration would maintain communication with Heung Yee Kuk and villagers to explore ways to enhance the integration between villages and their The Administration also advised that in planning the surrounding developments. Northern Metropolis development, holistic consideration had been given to addressing the need of squatter occupants who were affected by the development programme and eligible for housing allocation. Besides San Tin, sites had been reserved for construction of dedicated rehousing estates at locations such as Hung Shui Kiu and Kwu Tung, and some of those projects were currently under As such, rehousing options at different locations would be made available to squatter occupants affected by the development of San Tin Technopole.
- 19. Members were also concerned about the **reprovisioning arrangements** (including alternative sites and multi-storey buildings for modern industries ("MSBs")) provided by the Administration for **brownfield operators** affected by the development of San Tin Technopole. Members urged that the availability schedule of relocation sites should guide the formulation of **a phased timetable for resuming brownfield sites**, so that brownfield operators could operate their businesses continuously.
- 20. The Administration advised that its long-term objective was to encourage the provision of brownfield operations in MSBs. Before the completion of the planned MSBs, the Administration was also committed to supporting the business relocation of brownfield operators to alternative sites by increasing the number of zones which were more likely to be feasible for accommodating brownfield operations, and granting planning permission on a temporary basis. When implementing the San Tin Technopole development, the Administration would finetune the phased timetable of land resumption and schedule the resumption of brownfield sites for the latest possible date with a view to providing more buffer for relocating the affected operations.

#### **Council question**

21. A Member raised a written question at a Council meeting on how the Administration would assist brownfield operations affected by the San Tin Technopole development. The relevant hyperlink is in the **Appendix**.

#### Latest development

22. At the meeting of the Panel to be held on 22 October 2024, the Administration will brief members on the funding applications relating to San Tin Technopole.

#### **Relevant papers**

23. A list of relevant papers on the Legislative Council website is in the **Appendix**.

Council Business Divisions
<a href="Legislative Council Secretariat">Legislative Council Secretariat</a>
18 October 2024

### Appendix

## **Development of San Tin Technopole**

### List of relevant papers

Committee	Date of meeting	Paper
Panel on Development	23 May 2023	Agenda Item III: Land use proposal of San Tin Technopole  Minutes of meeting
Subcommittee on Matters Relating to the Development of the Northern Metropolis	28 May 2024	Agenda Item I: Innovation and technology development in the Northern Metropolis  Minutes of meeting
Subcommittee on Matters Relating to the Development of the Northern Metropolis	11 July 2024*	Report of the Subcommittee to the House Committee

<sup>\*</sup> Issue date

Council meeting	Paper
14 June 2023	Question No. 17: Assisting in the relocation of brownfield operations affected by development projects