# Minutes of 1334<sup>th</sup> Meeting of the <u>Town Planning Board held on 21.3.2025</u>

### Present

Permanent Secretary for Development (Planning and Lands) Ms Doris P.L. Ho Mr Stephen L.H. Liu Ms Sandy H.Y. Wong Mr Daniel K.S. Lau Mr Stanley T.S. Choi Mr K.W. Leung Professor Jonathan W.C. Wong Mr Ricky W.Y. Yu Professor Roger C.K. Chan Dr Venus Y.H. Lun Mr Vincent K.Y. Ho Mr Ben S.S. Lui Professor Bernadette W.S. Tsui Ms Kelly Y.S. Chan

Dr C.M. Cheng

Mr Daniel K.W. Chung

Dr Tony C.M. Ip

Chairperson

Vice-chairperson

Mr Rocky L.K. Poon

Professor Simon K.L. Wong

Mr Derrick S.M. Yip

Chief Traffic Engineer (New Territories East) Transport Department Mr K.L. Wong

Chief Engineer (Works) Home Affairs Department Mr Bond C.P. Chow

Assistant Director (Environmental Assessment) Environmental Protection Department Mr Gary C.W. Tam

Deputy Director/General, Lands Department Ms Jane K.C. Choi

Director of Planning Mr C.K. Yip

Deputy Director of Planning/District Ms Donna Y.P. Tam Secretary

### Absent with Apologies

Mr Timothy K.W. Ma

Mr Ryan M.K. Ip

Professor B.S. Tang

Mr Simon Y.S. Wong

### In Attendance

Assistant Director of Planning/Board Ms Caroline T.Y. Tang

Chief Town Planner/Town Planning Board Ms Katy C.W. Fung (a.m.) Mr Jeff K.C. Ho (p.m.) Senior Town Planner/Town Planning Board Mr Edward H.C. Leung (a.m.) Ms Katherine H.Y. Wong (p.m.)

# <u>Agenda Item 1</u>

[Open Meeting]

Confirmation of Minutes of the 1332<sup>nd</sup> Meeting held on 7.3.2025 and 1333<sup>rd</sup> Meeting held on 14.3.2025

[The item was conducted in Cantonese.]

 The draft minutes of the 1332<sup>nd</sup> meeting held on 7.3.2025 and 1333<sup>rd</sup> meeting held on 14.3.2025 were confirmed without amendment.

Agenda Item 2

[Open Meeting (except Item (i)]

# Matters Arising

[The item was conducted in Cantonese.]

(i) [Confidential Item] [Closed Meeting]

2. The item was recorded under confidential cover.

[Mr Rocky L.K. Poon and Professor Simon K.L. Wong joined the meeting during discussion of the above item.]

# Update on Matters in respect of Judicial Review

(ii) Court of First Instance's Judgment on a Judicial Review Application (HCAL 393/2024)
 Lodged against a Decision of the Town Planning Appeal Board on Two Town Planning
 Appeals (the Appeals) in respect of Planning Applications No. A/NE-SSH/127 and
 <u>A/NE-SSH/128</u>

3. The Secretary reported that a judgment was handed down by the Court of First Instance (CFI) allowing the Judicial Review (JR) application (HCAL 393/2024) lodged by Lee Keng Wai and Lee Keng Ying (the JR Applicants) against the decision of Town Planning Appeal Board (TPAB) on 6.12.2023 (the Decision) dismissing the appeals in respect of two section 16 applications (s.16 applications) No. A/NE-SSH/127 and A/NE-SSH/128 (the Appeals), each for a proposed house (New Territories Exempted House (NTEH) – Small House), on the sites (the Sites). The Site of application No. A/NE-SSH/127 wholly fell within the "Comprehensive Development Area" ("CDA") zone and that of application No. A/NE-SSH/128 fell mainly within the "CDA" zone (89%) with a minor portion (11%) within the "Village Type Development" ("V") zone in Che Ha, Shap Sz Heung.

4. The Secretary said that there were two previous s.16 applications submitted by different applicants, both for one NTEH (Small House) on each site. The two previous applications were approved on review in 2015 but the permissions lapsed in 2019. The subject s.16 applications were submitted by the JR Applicants, which were rejected by the Rural and New Town Planning Committee of the Town Planning Board (the Board/TPB) on 3.5.2019 and on review by the Board on 23.8.2019, each for the reasons that (i) the proposed Small House development did not comply with the Interim Criteria for Consideration of Application for NTEH/Small House in New Territories (the Interim Criteria) in that there was no general shortage of land in meeting the demand for Small House development in the "V" zone of Che Ha; and (ii) land was still available within the "V" zone of Che Ha which was primarily intended for Small House development. It was considered more appropriate to concentrate the proposed Small House development within the "V" zone for more orderly development pattern, efficient use of land and provision of infrastructure and services. The Appeals were lodged by the JR Applicants, which were heard together and subsequently dismissed by the TPAB in 2023 for similar reasons of the Board mentioned above. The JR Applicants' allegation that the Board failed to sufficiently consider the sympathetic considerations applicable to the Appeals (such as previous planning permissions for NTEH (Small House) development at the Sites) was not accepted by the TPAB in light that Criterion (a) of the Interim Criteria, i.e. whether there was land available in the "V" zone for Small House development, was the most important consideration. Since there was no shortage of land within the "V" zone in Che Ha for Small House development, there was insufficient justification for granting planning permissions for the development of Small Houses at the Sites. The Applicants lodged the JR application on 29.2.2024 and raised five grounds as follows:

> (a) Ground 1 – the TPAB failed to adhere to the Interim Criteria and the Cautious Approach;

- (b) Ground 2 the TPAB failed to take into account relevant considerations, i.e. all considerations in the Interim Criteria and/or the Cautious Approach;
- (c) Ground 3 the JR Applicants had a legitimate expectation that the TPAB would adhere to the Interim Criteria and/or the Cautious Approach when determining the Appeals;
- (d) Ground 4 the Decision was irrational/unreasonable in that the TPAB had failed to adhere to the Interim Criteria and/or the Cautious Approach and failed to take into account relevant considerations; and
- (e) Ground 5 the Decision breached the Basic Law for encroaching upon the JR Applicants' rights in respect of their lots to build NTEHs, and for preventing the JR Applicants from exercising their entitlements under the Small House Policy.

5. The Secretary briefly introduced that on 4.3.2025, the CFI examined the five grounds of challenge raised by the JR Applicants and allowed the JR application mainly on Ground 4, with rulings as follows:

# Grounds 1 and 2

(a) the CFI found that the TPAB had in fact adhered to the Interim Criteria and/or the Cautious Approach (i.e. the policy), and considered that the relevant factors which the Applicants submitted should have been considered, and that the weight to be given to the various aspects was a matter for the TPAB (i.e. the TPAB was entitled to give weight to the consideration of the relevant assessment criteria of the Interim Criteria);

# Ground 3

(b) the JR Applicants argued they had a legitimate expectation that the TPAB would adhere to the Interim Criteria and/or the Cautious Approach when determining the Appeals. Given the Court's findings on Grounds 1 and 2, which were that the TPAB had properly understood and adhered to the policy identified in the Interim Criteria and the Cautious Approach, Ground 3 also failed;

### Ground 4

- (c) the CFI found TPAB's decision irrational by reference to the underlying matters, which included (i) previous planning permissions had been granted and except as to the identity of the owners of the subject Lots, there had been no change of circumstances after the granting of the previous planning permissions; (ii) the form of the applications, being "fresh" rather than for an extension, was the result of inadvertence on the part of a third party; (iii) the proposed erection of the two NTEHs were wholly within the village 'environs' ('VE') and partially within the "V" zone, which were consistent with an orderly development pattern; (iv) the proposed development, being located at the edge of the "CDA" zone which was also a development zone, would not frustrate the planning intention of the zone; and (v) there was nothing more the JR Applicants could have done to advance the applications as they had submitted a lot of information/evidence to demonstrate that land was not available within the "V" zone in Che Ha for their Small House developments;
- (d) the CFI acknowledged the general principle of disregarding the ease or difficulty with which land might be acquired when assessing the amount of land available for the construction of NTEHs. This was because, where it otherwise, the Planning Department (PlanD) would be required to conduct an almost impossible inquiry into whether individual owners of land were willing to sell the land, which was in reality a matter of market negotiation. However, the present case differed as the JR Applicants were able to place before the TPAB significant evidence to demonstrate that (i) it took years for any suitable land to be identified, not only in Che Ha but in other areas within Sai Kung North Heung; and (ii) they had run advertisements in newspapers and sought help from estate agents specialising in New Territories land to no avail. There was no contrary evidence that in reality land was actually available entirely within Che Ha's "V" zone;
- (e) while acknowledging that Criterion (a) of the Board's Interim Criteria was

designed to concentrate Small House development within a recognised village's "V" zone for orderly development, the CFI considered that the Criterion should be achievable on the facts of a given case. Otherwise, the Criterion might operate irrationally. The factor provided for one example where sympathetic consideration might be given, but the failure to meet that one criterion did not mandate that the application must be rejected irrespective of the other criteria, which were to be looked at in the round; and

### Ground 5

(f) the Court ruled that rejection of the planning applications was not an absolute bar to the JR Applicants exercising their Ding rights and hence Ground 5 failed.

6. The Secretary said that the CFI ordered to quash the decision of TPAB and granted the order of mandamus requiring the TPAB (or TPB) to grant the relevant permissions. In consultation with the outside counsel, the Department of Justice (DoJ) was of the view that there were no strong and valid grounds to appeal against CFI's judgment. It should be noted that the JR Applicants succeeded on only one ground out of five grounds. Referring to the judgment, the CFI did not order a review of the Interim Criteria. The judgment was applicable to other planning applications, only if they could meet the particular circumstances of the subject cases, including previous planning permission granted, not frustrating the planning intention of the zone where the site was located, consistent with an orderly development pattern, no adverse impact on the surrounding areas and provision of strong evidence as to the actual situation of unavailability of land within the "V" zone of the village, etc. While the CFI did not offer its view on the weighting of the assessment criteria, it considered that all criteria should be looked at in the round and failure to meet one criterion did not mandate that the application must be rejected irrespective of the other criteria. The Board still had its discretion on weighting the criteria in exercising its planning judgment, and reasons for approving and rejecting relevant planning applications should also be carefully considered as appropriate. Strong evidence submitted by the JR Applicants to demonstrate that there was shortage of land in "V" zone would be included as part of their justifications, alongside PlanD's assessment on land availability, for TPB's consideration. Members were invited to note CFI's judgment and the implications on the Interim Criteria; and agree with DoJ's recommendation not to appeal against CFI's judgment, and the follow-up action by issuing approval letters to the applicants to grant the planning permissions in accordance with the Court's order.

## Consideration of Applicant's Effort to Acquire Land

- 7. Two Members had the following comments:
  - (a) the JR Applicants' effort to acquire land within the concerned "V" zone as a valid consideration of Small House application was in contravention with the Board's consistent approach in determining what constituted insufficient land for Small House development; and
  - (b) it was difficult for the Board to take into account the land transaction market as it might be subject to human interference and manipulation. It was also difficult to assess what constituted the applicant's full effort in purchasing land within the "V" zone, which was highly subjective and might relate to the economic and market situations at the time of considering the application by the Board. There was a risk that the above would become the only argument for similar applications in the future. An appeal seeking clarification from the Court in that regard might be worth considering to facilitate the Board's understanding of the rationale behind the judgment.
- 8. In response, the Secretary made the following main points:
  - (a) the applicant's effort to acquire land and land ownership were not factors considered by the Board when assessing Small House application according to the Interim Criteria. The CFI acknowledged that it was impossible to assess the land availability within the "V" zone by taking land ownership as one of the considerations. The CFI also agreed with the objective methodology currently adopted for determining the amount of land available for Small House development within "V" zone. That said, the CFI was of the view that the subject two cases were distinctive from others, including that the Sites were the subject of previous planning permissions for Small House development; there was no change in circumstances after the granting of previous planning permissions except the change of applicants; the Sites fell wholly within the 'VE'

and one of the Sites encroached slightly onto the "V" zone of Che Ha which were consistent with an orderly development pattern; Small House development, if implemented, would not frustrate the planning intention of the relevant land use zones (i.e. "V" and "CDA" zones), both of which were development zones; and the JR Applicants had demonstrated the effort to acquire land in the concerned "V" zone. The Board should consider the above factors holistically rather than focusing solely on the JR Applicants' effort to acquire land when deciding whether the Small House applications should be approved; and

(b) while the availability of land was a consideration, the JR Applicants had provided evidence to demonstrate that it took years for any suitable land to be identified, including running advertisements in newspapers and seeking assistance from estate agents, but they were still unsuccessful in acquiring land within the concerned "V" zone. As such, sympathetic consideration should be given to the two Small House applications.

9. Mr C.K. Yip, Director of Planning (D of Plan), supplemented the following main points:

- (a) CFI's decision was made based on a number of considerations mentioned by the Secretary and not solely on the JR Applicants' effort to acquire land within the "V" zone. It was appropriate for the Board to consider the NTEH/Small House applications by taking into account relevant factors. The CFI also pointed out that planning permissions had previously been granted for the Sites and there had been no change in circumstances after the granting of the previous planning permissions; and
- (b) according to CFI's judgment, the Board should consider the justifications put forward by the applicants in supporting the applications. While some applicants might claim that they could not acquire land within the "V" zone, this did not mean that the Board should accept all of their justifications. Furthermore, the Board was not obligated to conduct market analysis on land supply. In any event, PlanD would continue to assess the justifications put forward by the applicants based on their merits.

- 10. The Chairperson made the following main points:
  - the CFI had examined the five grounds of challenge raised by the JR Applicants. (a) Grounds 1 and 2 were related to the Interim Criteria and the Cautious Approach and both Grounds failed. This showed that the CFI acknowledged that the Board and TPAB had assessed the two subject cases in accordance with the Interim Criteria and the Cautious Approach, and taken into account relevant factors including the availability of land within "V" zone to meet the outstanding Small House applications. The CFI allowed the JR application mainly on Ground 4. In considering Ground 4, the CFI listed out nine considerations that were highly contextualised and were specific to the subject two cases, including, among others, the Sites having previous planning permissions though the current applications were submitted by different applicants; the Sites falling within 'VE' with minor overlapping with "V" zone and remaining areas falling within a "CDA" zone which was a development zone mainly for residential use. The JR Applicants' effort to acquire land within the "V" zone was only one of the nine considerations. The Board had previously considered some applications similar to the subject two cases, i.e. with the previous planning permissions lapsed and change of land ownership. In that regard, the Secretariat was invited to further consult DoJ and seek their advice on how to handle similar applications in light of CFI's judgment, in particular what the relevant factors were that the Board should take into account in dealing with such cases in the future;
  - (b) in the past, there were instances where there were no strong and valid grounds to appeal against the Court's judgment but the judgment appeared to conflict with the prevailing government policies. While, according to DoJ, clarification might be sought from Court, the department also pointed out that given the busy court schedule, rarely would the Court entertain such request, unless issues involving overriding public interest were involved; and
  - (c) as the chance of success for an appeal was assessed to be low, DoJ, in consultation with the outside counsel, recommended not to lodge an appeal. The implications of lodging an appeal, notwithstanding DoJ's advice, should be

carefully looked into. First, there might be cost implication as Court might require the losing party to pay the costs of the winning party. Secondly, for the subject JR, the JR Applicants succeeded on one ground out of five grounds and should TPB choose to appeal to the Court of Appeal, the JR Applicants might cross-appeal, with the risk of other grounds being ruled in their favour.

11. A Member remarked that it was very difficult to determine what constituted "exhausting all efforts to identify the land in the "V" zone" for Small House development. A checklist of considerations might be needed to help the Board better understand whether applications similar to the two subject cases could be approved.

### Setting Precedent

- 12. Two Members raised the following comment/question:
  - (a) future applicants might follow the approach of the subject two cases, which might undermine the Board's role as a gatekeeper; and
  - (b) whether this would set a precedent case for other similar applications in the future even though land within the "V" zone was sufficient to meet the outstanding Small House demand.
- 13. In response, the Chairperson made the following main points:
  - (a) the CFI's dismissal was primarily due to Ground 4. Apart from considering the JR Applicants' inability to acquire land in the concerned "V" zone, the CFI also considered other factors as mentioned earlier such as a large part of the Sites falling within the "CDA" zone which supported residential development. Future applicants might not be able to replicate the subject two cases as, for example, past cases considered by the Board involved land outside "V" zones mostly in zonings such as "Agriculture" ("AGR") and "Green Belt" ("GB"), and assessments would be made on a case-by-case basis; and
  - (b) the CFI noted that land was available in the concerned "V" zone but considered

that JR Applicants had exhausted their efforts in attempting to acquire land in the concerned "V" zone but in vain. If an application similar to the subject two cases was received in which the applicant provided information regarding the concrete actions taken to search for land in the "V" zone, the Board would then evaluate whether the information submitted by applicants was convincing and whether there was any contrary evidence showing land was available within "V" zone. Along with other considerations, the Board would make a decision on the application. The applicant's effort in land acquisition was merely one of the considerations and not the only factor for making a decision, nor would its weighting be higher than other factors.

#### Contrary Evidence on Land Availability and Point of Time to Consider Planning Application

14. A Member expressed the following views regarding the assessment and consideration of land availability in the "V" zone:

- (a) the subject JR cases were lodged against the decision of TPAB (not the Board) dismissing the appeals in respect of the two s.16 applications for proposed Small House developments. CFI's judgment mentioned that while the JR Applicants had provided concrete evidence to TPAB to demonstrate that they had exhausted all efforts to acquire land within the "V" zone of Che Ha, there was no contrary evidence that there was in reality land actually available entirely within the "V" zone, which was an important point of the subject cases. As such, in considering similar cases in the future, the Board could counter-argue with evidence, if applicable, that land was still available within the "V" zone at different stages of planning application submitted under sections 16 or 17 of the Town Planning Ordinance or at the stage of appeal; and
- (b) while the Board emphasised that each application would be considered individually, this did not preclude the Board from taking relevant considerations into account. For the subject two cases, the validity of the planning permissions for the previously approved applications were up to April 2019. If the Board considered the subject two applications with reference to the point of time when the JR Applicants purchased the land concerned, i.e. before 2019, the

Board might approve the two applications. The Board should look into the background of each case and determine the appropriate point of time to be considered in making a decision.

### CFI's Considerations of Ground 4

15. At the invitation of the Chairperson, the Secretary recapped CFI's nine considerations of Ground 4 as follows:

- (a) the Lots were subject to the previous planning permissions, and except as to the identity of the owners of the Lots, there had been no change of circumstances since the previous planning permissions were granted;
- (b) whilst it was correct that the applications for planning permission were, as a matter of form, fresh applications, it was also correct that the substance of them was for an extension of time to the previous planning permissions already granted;
- (c) the form of the applications, being 'fresh' rather than for an extension, was the result of inadvertence on the part of the third party who assisted the JR Applicants on the Small House applications;
- (d) the Lots were wholly within the 'VE', and partially within the "V" zone, and were immediately contiguous to the "V" zone and to existing NTEHs;
- (e) hence, the proposed NTEHs were consistent with an orderly development pattern;
- (f) development of the Lots would not affect any local tracks or other infrastructure, and would not frustrate the planning intention of the "CDA" zone;
- (g) application to the District Lands Office and planning applications were made promptly after purchasing the land, and it was considered as having reached an advanced stage;

- (h) indeed, on the evidence, there was nothing more the JR Applicants could have done to advance those applications; and
- the JR Applicants paid HK\$6 million to purchase the Lots, on the basis of the prior planning permissions granted.

16. The Chairperson remarked that the above considerations were highly contextualised and were specific to the subject cases and might not be applicable to future cases. After discussion with DoJ, it was considered that the applicant's effort to acquire land within the "V" zone would only be one of the considerations by the Board. Therefore, if such ground was raised in other similar cases in the future, it might be worthwhile to inquire with the applicant about the concrete actions undertaken to search for land within "V" zone and for the Board to consider whether, based on information presented by the applicant and Government to the Board, there was genuinely no land available within the "V" zone for Small House development. The Board would need to take all relevant information into account in considering the planning application. DoJ would be further consulted on this and the Secretariat would report back to the Board in due course.

### Background of the Two Cases

17. A Member said that among CFI's nine considerations of Ground 4, the first and the last one were both related to previous planning permissions. The first consideration was that there had been no change in circumstances since the previous planning permissions granted by the Board. The last consideration was that the JR Applicants paid HK\$6 million to purchase the Sites based on the prior planning permissions granted, which was a matter of humanitarian consideration, and the JR Applicants would have reasonable expectation for the subject applications to be approved as well. In response to the Member's question regarding the reasons for approving the previous applications covering the Sites in 2015 and rejecting the subject applications in 2019, the Secretary made the following main points:

(a) the previous applications (No. A/NE-SSH/96 and A/NE-SSH/97) were approved by the Board on review, mainly on sympathetic consideration that the proposed Small Houses would involve a relatively small area at the fringe of the "CDA" zone, which was not incompatible with the approved comprehensive development and would not have significant impact on the overall implementation of the development;

- (b) as for the subject two applications (No. A/NE-SSH/127 and A/NE-SSH/128), according to the Interim Criteria, application with previous planning permission lapsed would be considered on its own merits. In general, an application for a proposed Small House development that was not in line with the Interim Criteria would normally not be approved. Sympathetic consideration might be given if there were special circumstances such as the processing of the Small House grant already at an advance stage. For the subject two applications, no such special circumstances were applicable. The previous permissions were granted to different applicants in 2015. The JR Applicants acquired the Site in 2017 and their application for Small House grant, submitted also in 2017, was still under processing. The subject two applications were rejected by the Board and TPAB for the main reason that land was still available within the "V" zone of Che Ha which was primarily intended for Small House development; and
- (c) referring to CFI's judgment, one of the nine considerations for Ground 4 was that the Small House grant and planning applications were made promptly after acquiring the land by the JR Applicants. The CFI considered that an advance stage had been reached.

18. Having considered the above, the same Member opined that land with planning permission for Small House development would have their value elevated, and it was expected that more such land with planning permissions might change hands in the market. In response, the Chairperson said that such situation might not be unique to land with planning permissions for Small House development, and should not be a reason not to consider/approve the applications. Instead, the applications should be assessed taking into account the relevant planning considerations.

### Government Policy on Small House Development

19. A Member enquired whether it was the prevailing government policy to confine the Small House development within the "V" zone and 'VE', and hence more weight should be given

to this consideration. If affirmative, whether the Interim Criteria should be suitably amended to make it clear to the public about the above policy. Otherwise, all considerations in the Interim Criteria should be weighted the same.

20. The same Member further enquired whether the Board had flexibility in considering applications under the Interim Criteria and whether a clear message had been conveyed to the public on the Board's consideration of applications under the Interim Criteria. In response, the Chairperson made the following main points:

- (a) the Government's stance on confining Small House development within the "V" zone and 'VE' was very clear. The assessment criteria in the Interim Criteria were formulated for the consideration of Small House applications on sites falling outside the "V" zone. Flexibility was given in the Interim Criteria for the Board to consider the applications according to the assessment criteria;
- (b) the Interim Criteria should have conveyed the policy mentioned above to the public. Whether there should be a clearer policy statement set out at the beginning of the Interim Criteria could be further discussed by the Board; and
- (c) it was recalled that applications with a large portion of the application sites or footprint of the proposed Small House falling outside the "V" zone or 'VE' were generally rejected by the Board, unless under very exceptional circumstances. The Interim Criteria should convey to the public that it was the Government's intention for orderly development of Small Houses within the "V" zone. Heung Yee Kuk should also be aware of such policy direction.
- 21. Mr C.K. Yip, D of Plan, supplemented the following main points:
  - (a) the planning intention of "V" was stated in the Notes and Explanatory Statement of OZPs, i.e. it was intended to concentrate village type development within this zone for a more orderly development pattern, efficient use of land and provision of infrastructures and services. Such planning intention was also specified in the TPB papers if the application sites involved "V" zone. The public was well aware that the Board would consider the applications based on the planning

### intention of zones and the Interim Criteria; and

(b) according to CFI's judgment, whilst the Interim Criteria should be considered as a whole, the key rationale underpinning the Interim Criteria was evident in Criterion (a), i.e. whether there was sufficient land within the "V" zone of Che Ha for Small House development, and other considerations as mentioned in CFI's judgment were mainly factors for sympathetic consideration of the two subject cases.

#### Similar Applications in the Future

22. A Member agreed with DoJ's recommendation not to appeal against CFI's judgment and concurred with the Chairperson's suggestion to further consult DoJ in respect of the implication of the judgment on the consideration of planning applications by the Board in the future.

23. Another Member also agreed with DoJ's recommendation, and considered that the subject two cases highlighted the fairness of the judicial system that anyone who did not satisfy with the Board or TPAB's decision could lodge an appeal under the current system. The Member raised concern about handling Small House applications in the future if the application sites straddled two zones i.e. "V" zone and the other zone such as "CDA", "GB" or "AGR", the applications involved previous planning permissions that had lapsed, and the JR Applicants provided information on effort made to acquire land in the "V" zone but to no avail. DoJ's advice on those aspects might be required. In response, the Chairperson said that among the nine considerations for Ground 4, three of them might come up in the future applications, (i) applications with previous planning permission; (ii) application sites involving "V" zone and other zone(s), most commonly "GB" or "AGR"; and (iii) the applicants' concrete actions to search for land within the "V" zone. She suggested the Secretariat seeking advice from DoJ on these three issues.

### Press Release

24. A Member suggested that the Board might consider issuing a press release on the subject JR to inform the public that the CFI had agreed with the Board's approach of assessing

planning applications in accordance with the Interim Criteria, which would continue to be applied in future cases. The Chairperson said that it was not an established practice of the Board to issue press releases regarding JR cases or decisions on whether to appeal. While issuing a press release might have its merits, other implications should also be duly considered, including that DoJ's advice would be further sought.

25. Having considered Members' comments and suggestions above, the Chairperson said that the provisions in the Interim Criteria might be applied as in the past with different emphases and considerations by the Board, taking into account the circumstances at the time of consideration, which might lead to some variations in the decisions. In any case, as discussed above, the Secretariat would consult DoJ on the three aspects stated in paragraph 23 above and report to the Board on DoJ's advice.

26. After deliberation, Members <u>noted</u> CFI's judgment and its implications on the Interim Criteria, and <u>agreed</u> not to appeal against CFI's judgment. The Secretary would issue approval letters, specifying the validity period of the permissions and relevant approval conditions, if any, as per the established practice, to the applicants of applications No. A/NE-SSH/127 and A/NE-SSH/128 in accordance with the Court's order.

[Ms Sandy H.Y. Wong joined the meeting during discussion of the above item.]

# (iii) <u>Town Planning Appeal Decision Received</u>

Town Planning Appeal No. 3 of 2023 Temporary Warehouse for Storage of Construction Equipment for a Period of 3 Years in "Village Type Development" Zone, Lot 936 in D.D. 118, No.66 Nam Hang Tsuen, Yuen Long, New Territories Application No. A/YL-TT/578

27. The Secretary reported that the subject appeal was against the Town Planning Board (the Board)'s decision to reject on review an application (No. A/YL-TT/578) for a temporary warehouse for storage of construction equipment for a period of 3 years at the application site (the Site) zoned "Village Type Development" ("V") on the Tai Tong Outline Zoning Plan.

28. The review application was rejected by the Board on 15.9.2023 for the reasons that (i) the applied use was not in line with the planning intention of the "V" zone, which was primarily for development of Small Houses by indigenous villagers. No strong planning justifications had been given in the submission for a departure from the planning intention, even on a temporary basis; and (ii) the applied use was not compatible with the surrounding residential character.

29. The appeal was heard by the Town Planning Appeal Board (TPAB) on 27.11.2024. On 6.3.2025, the appeal was dismissed by the TPAB and the views were summarised below:

### The applied use was not in line with the planning intention of the "V" zone

- (a) the planning intention of the "V" zone was clear that it was for village expansion and developments of Small Houses by indigenous villagers. The TPAB considered that the applied use fell outside the Column 1 and 2 uses of the Notes for the "V" zone and it would neither serve the needs of the villagers nor support the village development, which was totally not in line with the planning intention of the "V" zone;
- (b) while the Appellant argued that approval of the planning application on a temporary basis would not jeopardise the long-term intention of the "V" zone given that the Site was not subject to Small House application or approval, the TPAB emphasised that the absence of current Small House applications for the Site did not mean the land was not in demand for future Small House applications. The TPAB considered that no strong planning justification had been given for a departure from the planning intention, even on a temporary basis;

The applied use was not compatible with the surrounding rural residential character of the area

(c) while there were some patches of vacant land, car parking areas and open storage yards nearby, the rural residential character of the area remained dominant as there were village houses and Small Houses in the immediate vicinity of the Site. The applied warehouse use was considered incompatible with the residential character of the area. There was also no evidence that those patches of parking and open storage were permitted under the Town Planning Ordinance, making it invalid to rely on one unauthorised use to justify another unauthorised use; and

(d) despite the Appellant's argument that the Site was on the border of the subject "V" zone with an area to its immediate east zoned "Other Specified Uses" annotated "Rural Use" where many temporary warehouses existed, the TPAB considered that the focus should be on whether the proposed use was compatible with the planning intention and character of the "V" zone, not the adjacent zone.

### (iv) <u>Appeal Statistics</u>

30. The Secretary reported that as at 14.3.2025, four cases were yet to be heard by the Appeal Board Panel (Town Planning).

31. Details of the appeal statistics were as follows:

Allowed	45
Dismissed	180
Abandoned/Withdrawn/Invalid	214
Yet to be Heard	4
Decision Outstanding	0
Total	443

### Sha Tin, Tai Po and North District

## Agenda Item 3

[Open Meeting (Presentation and Question Sessions only)]

Consideration of Representation in respect of the Draft Man Kam To Outline Zoning Plan No. S/NE-MKT/5

(TPB Paper No. 11000)

[The item was conducted in Cantonese and English.]

32. The Secretary reported that Amendment Item A (Item A) involved rezoning of a site at Sandy Ridge (the Site) for data centres and related purposes. AECOM Asia Company Limited (AECOM) was the consultant of the Civil Engineering and Development Department (CEDD) for conducting the engineering feasibility study for the Site. The following Members had declared interests on the item:

Dr Tony C.M. Ip	]	having current business dealings with
Mr Vincent K.Y. Ho	]	AECOM;
Mr Daniel K.W. Chung	_	being a former director of CEDD; and
Professor Jonathan W.C. Wong	g ]	being a member of the Advisory Committee
Mr Ryan M.K. Ip	]	on the Northern Metropolis (NM).

33. Members noted that Mr Ryan M.K. Ip had tendered an apology for being unable to attend the meeting. As Messrs Vincent K.Y. Ho and Daniel K.W. Chung and Dr Tony C.M. Ip had no involvement in the amendment item, and the interest of Professor Jonathan W.C. Wong was indirect, Members agreed that they could stay in the meeting.

## Presentation and Question Sessions

34. The following government representatives (including the consultants) and the representer were invited to the meeting at this point:

Innovation, Technology and Industry Bureau (ITIB)				
Ms Lillian M.L. Cheong	-	Under Secretary for Innovation, Technology		
		and Industry (USITI)		
Mr Charlson C.Y. Chiu	_	Assistant Secretary for Innovation,		
		Technology and Industry		
Mr Kingsley K.M. Wong	-	Project Coordination Director/Digital Policy		
		Office (PCD/DPO)		
Mr Alex T.Y. Tai	-	Senior Systems Manager		
Development Bureau (DEVB)				
Mr Tonny L.Y. Chan	-	Assistant Secretary (Northern Metropolis)		
Planning Department (Plan	<u>D)</u>			
Mr Rico W.K. Tsang	-	District Planning Officer/Sha Tin, Tai Po		
		and North (DPO/STN)		
Mr Ryan C.K. Ho	-	Senior Town Planner/Sha Tin, Tai Po and		
5		North (STP/STN)		
CEDD				
Mr Tony S.K. Cheung	-	Chief Engineer (CE)		
Mr Jack S.K. Lui	_	Senior Engineer		
		Semor Engineer		
Mr Jackson M.H. Leung	-	Engineer		
AECOM				
Mr Allen Lee	1	Consultants		
	]	Consultants		
Ms Eva Huang	]			
Donnagoraton				
Representer				
<u>R1 – Mary Mulvihill</u>				

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### Ms Mary Mulvihill - Representer

35. The Chairperson extended a welcome and briefly explained the procedures of the She said that the representatives from PlanD would be invited to brief Members on hearing. the representation. The representer would then be invited to make an oral submission. То ensure efficient operation of the hearing, the representer would be allotted 10 minutes for making presentation. There was a timer device to alert the representer two minutes before the allotted time was to expire, and when the allotted time limit was up. A question and answer (Q&A) session would be held after the representer had completed her oral submission. Members could direct their questions to the government representatives (including the consultants) and/or the representer. After the Q&A session, the government representatives (including the consultants) and the representer would be invited to leave the meeting. The Town Planning Board (the Board/TPB) would then deliberate on the representation in closed meeting and would inform the representer of the Board's decision in due course.

36. The Chairperson then invited the representatives of PlanD to brief Members on the representation.

37. With the aid of a PowerPoint presentation, Mr Ryan C.K. Ho, STP/STN, PlanD briefed Members on the representation, including the background of the amendments on the draft Man Kam To Outline Zoning Plan (OZP) No. S/NE-MKT/5 (the draft OZP), major grounds/views of the representer, government responses and PlanD's views on the representation as detailed in TPB Paper No. 11000 (the Paper). Item A involved rezoning of the Site in Sandy Ridge from "Other Specified Uses" ("OU") annotated "Cemetery, Columbarium, Crematorium and Funeral Related Uses" ("OU(Cemetery, Columbarium, Crematorium and Funeral Related Uses)") to "OU" annotated "Innovation and Technology" ("OU(I&T)") for data centres and related purposes, which was subject to a building height restriction of 115mPD. Amendments had also been made to the Notes of the OZP, including, among others, (i) moving 'Government Refuse Collection Point' and 'Public Convenience' from Column 2 to Column 1 of the Notes for "Village Type Development" ("V") zone; (ii) incorporation of 'Field Study/Education/Visitor Centre' under Column 2 of the Notes for "V" zone; and (iii) revision to the Remarks of the Notes for "Conservation Area" ("CA") zone on diversion of streams, filling of land/pond or excavation of land.

### <u>R1 – Mary Mulvihill</u>

39. With the aid of a visualiser, Ms Mary Mulvihill made the following main points:

### Item A

(a) she raised strong objection to Item A;

### Need for Burial and Related Facilities

- (b) the Government had spent a lot of money and time on the development of columbarium, crematorium and related facilities at Sandy Ridge Cemetery, including conducting various technical assessments, to meet the urgent need for such facilities and address the shortfall, and initial site formation works had already been carried out. The community was informed that the "super cemetery" at Sandy Ridge would have the capacity to perform up to 17,800 cremations a year and provide 200,000 niches;
- (c) according to the project profile of "Provision of Crematorium, Funeral Parlour and Visitor Centre at Sandy Ridge Cemetery" (the project profile) for the Environmental Impact Assessment Study prepared by the Food and Environmental Hygiene Department (FEHD), the annual average number of deaths and cremations was estimated to be around 60,000 and 57,000 over the next 20 years (from 2019 to 2038). The serviceable life span of cremators was generally 15 to 20 years, or about 30,000 to 40,000 cremation cycles. It was anticipated that there would be a shortage in the number of crematorium, the project profile also mentioned that there would be a mortuary with storage capacity of at least 80 dead bodies;
- (d) according to "Hong Kong Population Projects 2022-2046", the projected number of deaths was 54,600 in 2025 and 66,500 in 2035, and the latter figure

was higher than that in the project profile (i.e. 60,000 in 2038);

- (e) the Paper stated that there was a total of 265,000 new public niches, comprising about 200,000 niches in Tsang Tsui and Wo Hop Shek Phase VI, about 25,000 niches in Cape Collinson-San Ha and about 40,000 niches in Shek Mun. Based on the estimated number of deaths of 54,600 in 2025 (and assuming the demand for public niches was about 40,000 per annum), the supply (265,000 new public niches) would only be sufficient until 2032. Even assuming that the total of 450,000 niches provided in the 12 public columbaria as stated in the Paper were available for the public, the supply would only be sufficient to meet the demand for around 10 years;
- (f) the Site, in a remote location away from the residential areas, was suitable for the proposed facilities such as the mortuary. The distressing scenes of dead bodies piled up in hospital corridors and storage areas during the COVID-19 pandemic should be a lesson to learn. As a result of the complaints lodged by some residents of Lo Wu that the provision of burial facilities would lower the property value and adversely affect their views and mental wellbeing, the Government put forward the plan to develop a data centre node at the Site and no alternative site for burial and related facilities was proposed to meet the community's needs;
- (g) thousands of residents lived with full views of cemeteries such as those in Pok Fu Lam and Happy Valley. As discussed at the Board's meetings many times, only public views should be protected, including views from the waterfront of Victoria Harbour to the ridgelines;

### Location of Proposed Data Centres

(h) as mentioned in the Paper, the Government would continue to develop Hong Kong into an international information and technology (I&T) centre. A large amount of land had already been set aside for such purpose, and I&T development should be in the form of large integrated developments such as those planned in San Tin Technopole (STT) and the existing Hong Kong Science

### Park;

- (i) the location of the Site, which was served by one access road only, was inappropriate for the proposed development of data centres. It was far from the existing and planned MTR stations, and was isolated and far away from service provisions such as convenience stores and catering services. Such development should be located within or adjacent to the planned I&T parks. The issues of 'feng shui' and working in close proximity to many deceased would also affect the attractiveness of the Site;
- (j) some members of the North District Council (NDC) and Ta Kwu Ling District Rural Committee had raised concerns on the road capacity of Man Kam To Road to accommodate the additional traffic as well as the lack of public transport services serving the proposed development;

### Market Demand for Data Centres

- (k) the demand for data centre was doubtful. There was no guaranteed outcome for such development at the Site. Cyberport, with its remote location, resulted in the very low lease rates of the premises which were mainly used for storage and backup facilities. The change of use of the Site was not justified when there was an urgent need for community facilities;
- (1) the current decline in the demand for commercial land was overlooked, which would free up equally spade-ready sites in far more convivial and easily accessible districts. Ms Hannah Jeong, Head of Valuation and Advisory Services at CBRE Hong Kong pointed out on 26.2.2025 that the new supply of commercial floor space was anticipated to reach 3 million ft<sup>2</sup> in the coming months, which would take 7 to 10 years to be fully utilised;
- (m) the Paper mentioned that there was considerable market interest in the proposed data centre development. This was likely driven by the expectation of cheap land by prospective developers. As reported in a newspaper article on 11.3.2025, it was astonishing that the Financial Secretary pledged to grant land

in NM to companies that harnessed cutting-edge technology with job creation such as those in artificial intelligence (AI) and life sciences, quoting an example of big pharma which had been known to gouge communities, and in some cases promote drug addiction, leading to immense healthcare costs and other expenses;

### Amendments to the Notes of OZP

- (n) she objected to amendment items (b), (c) and (f) to the Notes of the OZP in the Schedule of Amendments;
- incorporating 'Government Refuse Collection Point' and 'Public Convenience' under Column 1 for "V" zone (amendment item (b) to the Notes) would deprive the public's right to comment on the location and design of those facilities;
- (p) the planning intention of "V" zone was to provide housing for indigenous villagers, and the incorporation of 'Field Study/Education/Visitor Centre' under Column 2 for "V" zone (amendment item (c) to the Notes) would be exploited for commercial operations; and
- amendment item (f) to the Notes for the "CA" zone based on the latest Master (q) Schedule of Notes to Statutory Plans promulgated by the Board gave the Government unfettered and unaccountable power to carry out filling of land/pond or excavation of land. While the Paper stated that the exemption clause was only applicable to public works and minor works in which no major adverse impacts were anticipated, and public works co-ordinated or implemented by the Government would be in compliance with relevant government requirements, prevailing ordinances and regulations, it was noted that section 16 applications for brownfield operation were processed on a streamlined basis in the meetings of the Rural and New Town Planning Committee of the Board, despite the fact that some of the application sites were not within Category 2 area under the Town Planning Board Guidelines No. 13G for Applications for Open Storage and Port Back-up Uses under Section 16 of the Town Planning Ordinance, and the applications were subject to local objections and adverse departmental comments.

40. As the presentations of the representative of PlanD and the representer had been completed, the meeting proceeded to the Q&A session. The Chairperson explained that Members would raise questions to the representer or the government representatives (including the consultants) to answer. The Q&A session should not be taken as an occasion for the attendees to direct questions to the Board or for cross-examination between parties. The Chairperson then invited questions from Members.

#### Site Selection

41. In response to a Member's question on the suitability of the Site (about 10 ha) for the proposed development of a cluster for data facilities as there was only one access road (Sha Ling Road) to the Site as pointed out by R1, which might pose evacuation issues for the working population in emergency situations such as road subsidence or landslides, Ms Lillian M.L. Cheong, USITI, ITIB made the following main points:

- (a) the provision of digital and advance technological infrastructure, such as data centres and supercomputing centres, was crucial to the development of Hong Kong as an international I&T centre. Data were the basic resources for I&T development, including the realisation of AI+ strategy;
- (b) the Site was formed with basic infrastructure and in 'spade-ready' condition for supporting the proposed data centre development. The Engineering Feasibility Study (EFS) conducted by CEDD confirmed that the proposed data centres and related purposes under the indicative scheme were technically feasible with no insurmountable problem in the technical aspects such as vehicular and pedestrian traffic, environmental impact and water supply, etc.; and
- (c) in June 2024, ITIB invited expression of interest (EOI) for the development of data centres and related purposes at Sandy Ridge. Site information, including the existing conditions of the Site and the basic infrastructure and access road provision, was specified in the EOI document. The EOI had received positive responses from local, Mainland and overseas enterprises. A "Request for Information" (RFI) was initiated in March 2025 to gather more information from the market, including their feedback on the development parameters of the Site

as well as the scale of potential developments should the whole site be disposed of as a single individual lot.

### Positioning and Demand for Proposed Data Centres

42. In response to a Member's enquiry on the overall shortage of land for data centres in Hong Kong, taking into account the planned provisions in STT including the Loop in NM and the Site, Ms Lillian M.L. Cheong, USITI, ITIB made the following main points:

- (a) in a survey conducted by DPO in 2023, the respondents responded that a floor area of about 300,000m<sup>2</sup> for data centre development was required in the short to medium term. According to the indicative scheme in the EFS, the maximum gross floor area (GFA) for the Site was 250,000m<sup>2</sup> with 196,000m<sup>2</sup> for data centres and 54,000m<sup>2</sup> for ancillary uses such as offices and other supporting facilities. To drive the development of emerging I&T and related industries and align with national AI+ development strategy, availability of computing power was essential. Therefore, it was anticipated that the demand for data centres would continue to rise rapidly in the short to medium term. Currently, identifying a large piece of land, especially in 'spade-ready' condition, to build data centres was challenging, which had constrained the development of the whole ecosystem. The Site would therefore be fully utilised for the proposed purpose;
- (b) for the I&T sector to thrive, an ecosystem supporting the interactive development of upstream, midstream and downstream sectors of the I&T industry, the transformation and application of the research and development (R&D) outcomes, and mass production of high-tech industries was of paramount importance. Currently, key I&T developments in Hong Kong comprised Cyberport in the Southern District, focusing on digital technology, Hong Kong Science Park in Pak Shek Kok, a cluster of R&D centres for deep technology as well as STT and the Loop, which would be the base to establish internationally competitive I&T parks for R&D transformation and pilot production base for industries; and

(c) the establishment of a cluster of data facilities in Sandy Ridge could attract related upstream and downstream industries in the Site.

43. A Member enquired about the planning of data centres in Hong Kong and whether the supercomputing centres, as recently advocated by the Financial Secretary, would be located in Sandy Ridge or elsewhere. In response, Mr Kingsley K.M. Wong, PCD/DPO, ITIB said that ITIB was monitoring the supply and demand of data centres in the market. On the supply side, ITIB paid attention to new data centres being planned, constructed and completed in Hong Kong. On the demand side, the survey conducted by DPO in 2023 revealed that the additional floor area demand for data centres was about 300,000m<sup>2</sup> in the short to medium term. Given the rapid market development, a new survey would be undertaken in 2025 to update the latest demand for data centres.

44. In response to a follow-up question raised by the same Member concerning the comprehensive planning for data centres, Ms Lillian M.L. Cheong, USITI, ITIB said that apart from market surveys conducted every 2 to 3 years to stay aligned with market demand in the short to medium term, the overall planning for the long-term development of data centres was also made. The I&T site in the NM mainly included the STT (including the Loop), which provided about 300 ha of I&T, with the Loop positioned as an international base for research, academic and industry sectors, and data centres there would mainly play a supporting role. As the remaining part of STT in San Tin (about 210 ha) had a much larger area, ITIB was identifying suitable sites for data centre development. Suitable land in other parts of Hong Kong, if any, would also be earmarked for data centre development based on the market demand. As for the Site, it would be developed as a cluster of data facilities with associated upstream (R&D) and downstream (production/application of R&D outcomes) industries. The current layout for the Site was indicative for technical assessment purpose. The actual site layout would be subject to the design of the future developer(s). As mentioned earlier, RFI would also help gather the latest market views on the scale and design of data centre development.

45. A Member asked if there were any differences in the concepts of data centres, supercomputing centres and cluster of data facilities, and their respective uses from the planning perspective. In response, Mr Rico W.K. Tsang, DPO/STN, PlanD said that those concepts or terms were regarded as 'Information Technology and Telecommunications Industries' use under the Definition of Terms promulgated by the Board. From operational perspective, cluster of

data facilities was relatively larger in scale, accommodating data centres/supercomputing centres with industrial production by applying R&D outcomes. Ms Lillian M.L. Cheong, USITI, ITIB supplemented that those terms/concepts were not distinct but interconnected. The operation of a cluster of data facilities was similar to that of an industrial park, where data centres of different tiers or computing power levels and the associated industries, formed an agglomeration, which in turn could stimulate upstream R&D and downstream production activities.

46. Noting the approximately 7:3 ratio of floor space for data centre and office uses at the Site, the same Member enquired whether flexibility would be allowed for the future developer(s)/operator(s) to adjust the floor spaces for different uses to achieve synergy and attract top-notch researchers from around the world. In response, Ms Lillian M.L. Cheong, USITI, ITIB said that the market was fully aware of the proposed floor space allocation for data centre and office uses at the Site. The degree of flexibility for floor space allocation would be subject to market response. That said, the fundamental principle of developing the Site primarily for data centres would remain steadfast and unchanged.

### Potential for Future Expansion of the Data Centre Development

47. In response to a Member's question on the possibility of future expansion of the proposed cluster of data facilities, Mr Rico W.K. Tsang, DPO/STN, PlanD, with the aid of a PowerPoint slide, said that only about 10 ha of land previously zoned "OU(Cemetery, Columbarium, Crematorium and Funeral Related Uses)" had been rezoned to OU(I&T)" for data centre and related purposes, and there was still about 80 ha of land left. Currently, the existing graves were mainly concentrated in the western and northwestern parts of the "OU(Cemetery, Columbarium, Crematorium and Funeral Related Uses)" zone. As such, there was room for future expansion of the data centre development, subject to the assessment of technical feasibility.

### Cross-boundary Data Flow

48. Noting the concept of "cross-boundary data flow" (跨境數據流動) as mentioned by the I&T industry, a Member asked whether the Site was selected due to its locational advantages, particularly in terms of better coordination and integration with related facilities in the Mainland.

In response, Ms Lillian M.L. Cheong, USITI, ITIB made the following main points:

- (a) Hong Kong had the advantage of becoming a digital hub for the Asia-Pacific region and even an "international data hub". In Hong Kong, data could flow Many industries indicated that consideration could be given to freely. facilitating the transmission of data between Hong Kong and other areas including the Mainland where cross-boundary data flow was subject to stringent regulation and control. It was hoped that breakthroughs could be made in that regard at the national policy level. On that front, the facilitation measure on the "Standard Contract for the Cross-boundary Flow of Personal Information within the Guangdong-Hong Kong-Macao Greater Bay Area (Mainland, Hong Kong)", which covered three industrial sectors upon launch as a pilot, helped promote the safe and orderly cross-boundary flow of authorised personal information under a framework agreed with the Mainland authority. That measure had already been opened up for participation by all other sectors; and
- (b) the main reason for identifying the Site for data centre development was that it was a "spade-ready" site. Its close proximity to Shenzhen was also a factor in site selection.

#### Working Population of the Data Centres

49. In response to a Member's question on the rationale for estimating the working population size and the working hours, Ms Lillian M.L. Cheong, USITI, ITIB said that the estimation was made with reference of the ratio of the development scale to the number of employees of existing data centres. Other than those working in the data centres, there were also other workers/technical staff (e.g. engineers, scientists, etc.) working in research, academic and related industry sectors (e.g. AI, data analysis), as well as those for ancillary facilities (e.g. eating places). The work schedule for data centre would normally be organised into three shifts, working round the clock to support and monitor the data centre operations, and provide emergency support at any time, therefore provision of staff quarters would be allowed at the Site.

50. Noting that the proposed data centre development would attract the associated

upstream and downstream industries to the Site, a Member asked whether there would be a substantial increase in the number of staff working there. In response, Ms Lillian M.L. Cheong, USITI, ITIB said that the Site could be developed into a cluster of data facilities including data centres, supercomputing centres and R&D activities. The upstream and downstream industries to be developed in the Site might include AI supercomputing service. Since the primary focus was on data centres (occupying no less than 70% of the total GFA), there should be no significant change to the estimated staff size. The proposed development would possibly create more high-quality and high value-added job opportunities.

### Infrastructure, Electricity Supply, Optical Fibre Cables and Safety Concerns

51. Noting that there was only one access road (Sha Ling Road) to the Site, some Members raised the following questions:

- (a) whether dual power supply would be available for the data centres for reliability and redundancy and whether the data centres would only be served by a single fibre connection; and
- (b) the evacuation arrangements for workers in the data centre in case of emergencies e.g. road subsidence or landslide.

52. In response, Ms Lillian M.L. Cheong, USITI, ITIB, with the aid of some PowerPoint slides, made the following main points:

- (a) ITIB had been closely liaising with relevant public utilities companies including CLP Power Hong Kong Limited (CLP) and telecommunications companies to ensure a stable and enhanced utilities networks to meet the requirements of the market on data centre services; and
- (b) there was a helipad with accessible road located to the northwest of the Site if at all required in case of emergencies or evacuation. Hill paths might also offer an alternative route for people evacuating in case of an emergency. Besides, there would be staff quarters at the Site. Data centres were critical infrastructure and workers' safety was of utmost importance. The data centres

at the Site would be developed and operated in accordance with international standards.

53. Mr Tony S.K. Cheung, CE, CEDD said that Sha Ling Road was a 7.3m single twolane carriageway with footpath on both sides. The Preliminary Traffic and Transport Impact Assessment (PTTIA) concluded that the proposed data centre development would not generate adverse traffic impact on the local road network due to the relatively low generated traffic. Taking into account the operation of the proposed data centres and that the site formation, basic infrastructure and slope works had been completed, there was no need to provide an additional access road to the Site from traffic point of view.

54. Concerning a Member's enquiry on the implementation schedule of basic infrastructure for the Site and its connection with the urban areas, Mr Tony S.K. Cheung, CE, CEDD responded that the preliminary assessment results concluded that there was no insurmountable technical problem for developing the Site for data centres and related purposes. Currently, the Site was equipped with basic infrastructure, including water supply, electricity and sewerage systems. In the future, developer(s) could consider the infrastructure requirements in conjunction with the design requirements and, if necessary, liaise with relevant government departments/utility companies to determine whether subsequent upgrading works were required. Where necessary, the relevant government bureaux and departments (B/Ds) would provide support and coordination to facilitate the development of the data centres. Mr Kingsley K.M. Wong, PCD/DPO, ITIB supplemented that ITIB had been in close contact with CLP. CLP was aware of the scale of data centre development at the Site, and had already formulated preliminary plans for upgrading the power supply facilities. The RFI launched in March 2025 could provide market information on the preferred scale of data centre development and the related requirements for utility supply. ITIB would further liaise with CLP with information gathered. Ms Lillian M.L. Cheong, USITI, ITIB added that ITIB would strive to facilitate the coordination between future developer(s) and public utilities companies, including any required infrastructural enhancement works beyond the site boundary if necessary.

#### Traffic Impacts and Site Accessibility

55. In response to a Member's question on the anticipated traffic flow arising from the proposed data centre development, Mr Tony S.K. Cheung, CE, CEDD said that according to

PTTIA, the proposed development would not cause significant adverse impact on the local road network. The forecast development traffic in the morning and afternoon peaks would be merely 290 passenger car units (pcu)/hour and 210 pcu/hour respectively, which were considered low. It was expected that the staff would use public transport and future shuttle services for commuting, and no adverse impact on pedestrian circulation was anticipated.

56. A Member raised the following questions:

- (a) site accessibility;
- (b) whether car parking spaces would be provided at the Site for workers' use; and
- whether illegal parking or blockage problem would be an issue during Ching Ming and Chung Yeung Festivals.
- 57. In response, Ms Lillian M.L. Cheong, USITI, ITIB made the following main points:
  - (a) the travelling time to the Site from MTR Sheung Shui Station by car was 10 minutes approximately. If necessary, the frequency of public transport services could be enhanced, especially during peak hours. Shuttle buses could also be provided and operated for commuting to/from the Site;
  - (b) sufficient parking spaces would be provided at the Site in accordance with the relevant requirements; and
  - (c) grave-sweepers and the public generally used public transport to go to the Sandy Ridge Cemetery during the two festival periods.
- 58. Mr Tony S.K. Cheung, CE, CEDD supplemented the following main points:
  - (a) future developer(s) or operator(s) might, based on the passenger demand, liaise with the relevant government department(s) for a more desirable frequency of franchised buses and green minibus (GMBs) or arrange shuttle bus services.
    With reference to other existing data centres and based on the proposed floor

areas for different uses within the Site, it was estimated that there would be about 1,900 employees. The Transport Department had been consulted on concluding the PTTIA and it was envisaged that the existing and future planned transport services in the area could meet the traffic demand arising from the proposed data centre development; and

(b) the developer(s) or operator(s) would be required to provide sufficient parking spaces and loading/unloading bays (including those for GMBs and shuttle buses) at the Site in accordance with the relevant guidelines, including the Hong Kong Planning Standards and Guidelines. Such provisions had been taken into account in the planning stage of the proposed development.

## Impact on Heritage Building

59. Noting that Macintosh Fort (麥景陶碉堡) was located in close proximity to the Site, a Member asked if the proposed cluster of data facilities would have any impact on the Fort. Mr Rico W.K. Tsang, DPO/STN, PlanD responded that the Macintosh Fort, which was located about 100m from the Site, was currently managed by the Hong Kong Police Force and not open to the public. The cluster of data facilities at the Site would not adversely affect the Fort. Opening up the Macintosh Fort with the provision of viewing facilities could be an attraction, and the feasibility of providing a pedestrian access from the Site to the Fort could be explored in the future.

## Columbarium, Crematorium and Mortuary Facilities

60. Noting the original plan of the Site for columbarium, crematorium and mortuary facilities and sufficient provision of public niches as stated in the Paper, some Members enquired about the background for the change of land use of the Site, and whether there was an overestimation of the demand for niches when planning the columbarium use at Sandy Ridge or the demand for columbarium had changed due to the promotion of green burial. In response, Mr Rico W.K. Tsang, DPO/STN, PlanD, with the aid of some PowerPoint slides, made the following main points:

 (a) the Sandy Ridge Cemetery was gazetted under the Public Health and Municipal Services Ordinance (Cap. 132) (PH&MS Ordinance) in 1987. The boundary of the "OU(Cemetery, Columbarium, Crematorium and Funeral Related Uses)" zone generally reflected that of the gazetted under the PH&MS Ordinance, and its zoning had remained unchanged since the gazettal of the first Man Kam To OZP in 2013;

- (b) the 2023 Policy Address (PA) announced that the formed portion of the Site (about 2 ha) could be for I&T and related purposes, considering that there was sufficient supply of public niches in the future. Taking into account the location of the Site, infrastructure planning and the supply and demand of digital infrastructure facilities, the Government considered that the 2 ha formed portion together with the surrounding formed slope of about 8 ha with development potential could be developed for data centres and related purposes. The 2024 PA announced that the Site with a total area of about 10 ha could be rezoned for such purposes;
- (c) the proposal of "super cemetery" at Sandy Ridge was formulated based on the assumption that no additional columbaria would be provided in other areas, with the provision of about 54,000 niches in the first phase and about 146,000 niches in the second phase. According to FEHD, there were currently 12 public columbaria providing about 450,000 niches in total. As of December 2024, about 339,000 niches were used by the public. In addition to Tuen Mun Tsang Tsui Columbarium and Wo Hop Shek Columbarium Phase VI providing about 200,000 niches (in operation since 2020) and the Cape Collinson-San Ha Columbarium providing about 25,000 niches (in operation since 2023), the Shek Mun Columbarium that was expected to come into operation in 2025 would provide additional some 40,000 public niches. The above columbaria were more accessible to the public. Currently, public niches were allocated once a year for available niches, excluding those in Tuen Mun Tsang Tsui Columbarium. For Tuen Mun Tsang Tsui Columbarium, about 1,700 niches were available for application by the public each month. Currently, all applicants were allocated public niches with no waiting time. Given the sufficient supply of public niches in the future, it was no longer necessary to develop the planned columbarium facilities at Sandy Ridge; and

- (d) the existing graves/urns were mainly located in the western and northwestern parts of the "OU(Cemetery, Columbarium, Crematorium and Funeral Related Uses)" zone. The remaining 80 ha of land within the zone could be reserved and planned for burial and related facilities in the future after assessing the demand for such facilities by FEHD, if necessary.
- 61. As for crematorium facilities, two Members raised the following questions:
  - (a) whether there was already a sufficient supply of crematorium, or whether alternative site should be identified for such purpose, and the suitability of the Site for crematorium use as it was located away from the residential areas as mentioned by R1; and
  - (b) whether a temporary facility would be provided for storage of dead bodies in the event of emergency situations, such as during the COVID-19 pandemic.
- 62. In response, Mr Rico W.K. Tsang, DPO/STN, PlanD made the following main points:
  - (a) up to the present moment, no request had been made by FEHD for identifying additional site(s) for crematorium facilities. The Government would continue to monitor the situation and take forward crematorium projects as and when appropriate based on the projection of the overall demand for cremation services. If there was such demand, the facilities could still be provided in the remaining 80 ha of land within the "OU(Cemetery, Columbarium, Crematorium and Funeral Related Uses)" zone as appropriate; and
  - (b) the remaining about 80 ha of land within the "OU(Cemetery, Columbarium, Crematorium and Funeral Related Uses)" zone could be considered for other burial and related facilities as well as public mortuary if needed.

63. One of the Members followed up with the question of the interface issues of data centres and crematorium facilities if provided in Sandy Ridge Cemetery in future. In response, Mr Rico W.K. Tsang, DPO/STN, PlanD, with the aid of a PowerPoint slide, said that given the large remaining area of the "OU(Cemetery, Columbarium, Crematorium and Funeral Related

Uses)" zone, there was room for the crematorium facilities to be located at a farther distance from the data centres. Together with supporting technical assessments, interface issues could be avoided.

64. In respect of the demand for columbarium facilities, a Member expressed that it would be difficult to determine whether the supply of niches could meet the demand at different times as circumstances changed. Besides, the promotion on adopting green burial and the provision of niches in Guangdong were some measures to mitigate such demand. The Chairperson said that in recent years, green burials had gained wider public acceptance with active promotion by the Government. Such a change in public perception might not be anticipated when planning the columbarium in Sandy Ridge in earlier years. In the past decade, the Government had adopted the district-based columbarium development scheme to meet the demand for such facilities. With more efficient use of land in both existing and new columbaria and expansion of existing columbaria, more public niches could be provided in the existing Wo Hop Shek and Cape Collinson Columbaria and in new Tsang Tsui and Shek Mun Columbaria to meet the demand.

65. As Members had no further questions to raise, the Chairperson said that the hearing procedures for the presentation and Q&A sessions had been completed. She thanked the representer and the government representatives (including the consultants) for attending the meeting. The Board would deliberate on the representation in closed meeting and would inform the representer of the Board's decision in due course. The representer and the government representatives (including the consultants) left the meeting at this point.

[Messrs Stanley T.S. Choi and Ricky W.Y. Yu left the meeting during the Q&A session.]

[The meeting was adjourned for a 5-minute break.]

#### **Deliberation Session**

66. The Chairperson invited views from Members.

67. Members generally supported Item A and considered the Site suitable for the proposed data centre development and related purposes, taking into account its readiness with essential infrastructure, the changing circumstances in the demand and supply of burial facilities, and the

urgent need for data centre to support I&T and related industries for promoting the economic development of Hong Kong. Members had no objection to the amendment items (b), (c) and (f) to the Notes in the Schedule of Amendments of the OZP as they were technical amendments in accordance with the latest Master Schedule of Notes to Statutory Plans promulgated by the Board.

68. For the proposed data centre development at the Site, Members had the following comments/suggestions:

## Locational Requirements and Land Use Compatibility

- (a) identifying suitable land for data centres involved a number of requirements and considerations, including availability of power supply and optical fibre network, provision of cooling facilities and transformers, and data room design. Utilising the Site, which was a formed but undeveloped land in remote location, offered distinct advantages for data centre development;
- (b) while there would be advantages to locating data centres in or near the concentrated areas of the I&T industries, it would also be beneficial to have offsite data centres to provide redundancy;
- (c) the Site was suitable for the proposed data centre development which was generally considered compatible with the surrounding uses, despite the presence of some existing graves in the surrounding areas;

#### Planning for Data Centres

(d) planning work should be forward-looking and carried out in a comprehensive manner for long-term development. In that regard, it was worth starting to consider space for future expansion or room for increasing the development intensity of the data centres for developing a sizeable scale of development in the location. Other suitable sites should also be identified for the development of additional data centres in the long term. Relevant B/Ds should formulate a 5-year plan for data centre development to align with the national development strategy and the I&T development in Hong Kong, and the approval process for the related proposals should be expedited;

- (e) while land was available in NM for I&T industries, there was no information on how the proposed data centre development at the Site would align with the planning of NM and create synergy effect;
- (f) supporting facilities for employees working in the data centres, e.g. restaurants and retail facilities, should be planned and provided at the Site;
- (g) the proposed data centre development should be planned to achieve carbon neutrality;

## Traffic

(h) as the Site was not far from the MTR Sheung Shui Station and the number of employees was relatively low, the proposed data centre development would not have adverse traffic impact. There should be special traffic and transport arrangements during Ching Ming and Chung Yeung Festivals to control the pedestrian traffic to the Sandy Ridge Cemetery and the impact on the proposed data centres should not be significant;

# Utility Provision

(i) as there was only one access road (Sha Ling Road) for laying electricity and optical fibre cables to the Site, the risks of emergencies, e.g. landslide, that would cause disruption of power supply and provision of optical fibre service should be considered and carefully managed. Relevant B/Ds should consider alternatives to ensure a resilient power supply and optical fibre network for the proposed data centre development, including liaison with utility company to provide two electric substations to ensure stable electricity supply;

## Evacuation of Staff

 (j) given the relatively small number of staff members working in the proposed data centres and their distribution across three working shifts, it was anticipated that emergency evacuations would not pose a significant challenge;

### Design Aspect

(k) design requirements, including building disposition, greening and building setback, should be incorporated in the land tender document, as appropriate; and

## Demand and Supply of Burial Facilities

 it would be helpful if there was more information regarding the overall supply and demand of columbarium/niches in Hong Kong to facilitate the Board's consideration.

69. Noting Members' comments and suggestions, the Chairperson, with the aid of a visualiser, made the following main points:

- (a) the zoning amendment of the Site at Sandy Ridge stemmed from the Chief Executive's 2023 PA to change the land use of the Site which was originally planned for development of a columbarium to I&T and related purposes, considering that there was sufficient supply of public niches in the future. The Environment and Ecology Bureau (EEB) had explained to NDC that the change of land use at Sandy Ridge would not pose significant impact on the provision of niches to meet the public demand in the future. EEB/FEHD had not requested DEVB/PlanD to identify alternative sites for columbarium use, as more efficient use of land in the existing columbaria would be an effective means of providing more niches to meet the future demand. That said, FEHD would be requested to provide more information regarding the demand and supply of niches in Hong Kong for Members' reference when the matter was brought to the Board for discussion in future;
- (b) on the power supply aspect, there were currently at least three power connections, including those to the east and west of the Site, connecting to the existing 132kV

overhead power lines, as well as along Sha Ling Road connecting with Man Kam To Road;

- (c) for the arrangement of evacuation during emergencies, as mentioned by the project team, the helipad located to the northwest of the Site adjacent to Macintosh Fort could be used for such purpose. Since the number of employees was low, the capacity of Sha Ling Road was sufficient to cater for the proposed development and there should be no significant adverse traffic impact. If there was an expansion of the data centre development in the future, the access road arrangement could be reconsidered at that juncture;
- (d) the slopes surrounding the Site appeared quite steep. If the data centre development was to be expanded, the cost of site formation would be relatively high and the cost for infrastructure provision would also need to be assessed. STT, with an area of about 210 ha (excluding the Loop), might be more suitable for additional data centres. Forward planning for the long-term development of data centres and related industries/uses should be adopted for the benefit of I&T development; and
- (e) the suggestions about the design, building disposition and setback, layout, greening, etc. of the proposed data centre development would be conveyed to ITIB for consideration. If considered appropriate, relevant assessment criteria on these aspects might be included in the non-price envelope of the intended two-envelope approach in the tender process.

#### Conclusion

70. The Chairperson concluded that Members supported the amendments on the OZP, and agreed that the OZP should not be amended to meet the adverse representation. All grounds of the representation had been addressed by the departmental responses as detailed in the Paper as well as the presentations and responses made by the government representatives at the meeting.

71. After deliberation, the Town Planning Board (the Board) <u>decided not to uphold</u> **R1** and considered that the draft Man Kam To Outline Zoning Plan (OZP) <u>should not be amended</u> to meet

the representation for the following reasons:

- "(a) Item A is to take forward the Policy Address initiative for development of data centres and related purposes. The Item A Site shows potential for development of a cluster of data facilities, which could serve as an enabler in the innovation and technology (I&T) industry, providing computing support for artificial intelligence and software development;
- (b) in view of the sufficient supply of columbarium related facilities, the original plan of providing columbarium facilities would be deemed unnecessary at the Item A Site;
- (c) the "Other Specified Uses" annotated "Innovation and Technology" zone allows flexibility in land use planning and development to accommodate the demand for supporting facilities and meet changing needs by incorporating other complementary non-I&T and compatible uses under the Notes of the OZP;
- (d) the incorporation of 'Government Refuse Collection Point' and 'Public Convenience' under Column 1 and 'Field Study/Education/Visitor Centre' under Column 2 of the Notes for "Village Type Development" zone is in line with the Master Schedule of Notes to Statutory Plans (MSN) promulgated by the Board. The provisions of these facilities will follow the relevant procedures and/or require planning permission from the Board; and
- (e) the incorporation of the exemption clause that diversion of streams, filling of land/pond or excavation of land related to public works co-ordinated or implemented by the Government are exempted from the requirement for planning application in "Conservation Area" ("CA") zone is in line with the MSN promulgated by the Board and will streamline the planning application process. The exemption clause is only applicable to public works and minor works in which no major adverse impacts are anticipated. Statutory control over the developments in the "CA" zone would not be undermined."

72. The Board also <u>agreed</u> that the draft OZP, together with its Notes and updated Explanatory Statement, was suitable for submission under section 8(1)(a) of the Town Planning Ordinance to the Chief Executive in Council for approval.

[Professor Jonathan W.C. Wong and Dr Venus Y.H. Lun left the meeting during deliberation.]

[The meeting was adjourned for lunch break at 1:15 p.m.]

# 73. The meeting was resumed at 1:45 p.m.

74. The following Members and the Secretary were present in the afternoon session:

Permanent Secretary for Development (Planning and Lands) Ms Doris P.L. Ho Chairperson

Mr Stephen L.H. Liu

Vice-chairperson

Ms Sandy H.Y. Wong

Mr K.W. Leung

Professor Roger C.K. Chan

Mr Vincent K.Y. Ho

Mr Ben S.S. Lui

Dr C.M. Cheng

Dr Tony C.M. Ip

Professor Simon K.L. Wong

Mr Derrick S.M. Yip

Chief Traffic Engineer (New Territories East) Transport Department Mr K.L. Wong

Assistant Director (Environmental Assessment) Environmental Protection Department Mr Gary C.W. Tam

Deputy Director/General, Lands Department Ms Jane K.C. Choi

Director of Planning Mr C.K. Yip

# Fanling, Sheung Shui and Yuen Long East District

## Agenda Item 4

[Open Meeting (Presentation and Question Sessions only)]

Review of Application No. A/YL-NSW/293

Proposed Comprehensive Residential Development with Commercial Uses and Social Welfare Facilities in "Undetermined" Zone, Various Lots in D.D. 103 and D.D. 115, Nam Sang Wai, Yuen Long

(TPB Paper No. 11001)

[The item was conducted in Cantonese.]

75. The Secretary reported that Ove Arup and Partners Hong Kong Limited (Arup) was a consultant of the applicants and So, Lung & Associates was previously a consultant of the applicants. The following Members have declared interests on the item:

Ms Sandy H.Y. Wong	-	being a consultant of So, Lung &
		Associates which had past business
		dealings with the applicants; and
Dr Tony C.M. Ip	-	having current business dealings with
		Arup.

76. As Ms Sandy H.Y. Wong and Dr Tony C.M. Ip had no involvement in the review application, Members agreed that they could stay in the meeting.

## Presentation and Question Sessions

77. The following representatives of the Planning Department (PlanD), the applicants and the applicants' representatives were invited to the meeting at this point:

PlanDMs Josephine Y.M. Lo- District Planning Officer/Fanling, Sheung

	Shui and Yuen Long East (DPO/FSYLE)
Mr Alexander W.Y. Mak	- Senior Town Planner/Fanling, Sheung Shui and Yuen Long East (STP/FSYLE)
Mr Gary T.L. Lam	- Town Planner/Fanling, Sheung Shui and Yuen Long East

### Applicants' Representatives

Top Field International Limited and Ideal Ace International Limited - Applicants Mr Alex Au Yeung Mr Macro Chu

Arup Ms Theresa Yeung Ms Anna Lok Ms Vienne Lung

*Team 73 HK Limited* Mr Stanley Ing

*Ecosystems Limited* Mr Vincent Lai

AGC Design Limited Mr Matthew Chung

Ramboll Hong Kong Limited Mr Tony Cheng

78. The Chairperson extended a welcome and explained the procedures of the review hearing. She then invited PlanD's representatives to brief Members on the review application.

79. With the aid of a PowerPoint presentation, Mr Alexander W.Y. Mak, STP/FSYLE,

PlanD briefed Members on the background of the review application including the application site (the Site) and the surrounding areas, the applicants' proposal and justifications, the consideration of the application by the Rural and New Town Planning Committee (RNTPC) of the Town Planning Board (the Board), departmental and public comments, and the planning considerations and assessments as detailed in TPB Paper No. 11001 (the Paper). Taking into account the latest planning circumstances, PlanD had no objection to the review application.

80. The Chairperson then invited the applicants' representatives to elaborate on the review application.

81. With the aid of a PowerPoint presentation, Ms Theresa Yeung, the applicants' representative, made the following main points:

- (a) the Site had been designated as "Undetermined" ("U") zone since 1994, and it had been left idle for over 30 years, pending confirmation of the alignments of Yuen Long Bypass and MTR – Tuen Ma Line;
- (b) application No. A/YL-NSW/292 for proposed place of recreation, sports or culture and residential care home for the elderly (RCHE) with ancillary eating place and application No. A/YL-NSW/303 for proposed RCHE and senior hostel, both within the same "U" zone, were approved by RNTPC on 12.8.2022 and 11.9.2023 respectively;
- (c) while the Site had been underutilised for years, the proposed comprehensive residential development with commercial uses and social welfare facilities could realise the development potential of the Site;
- (d) the Site was situated in an area between Yuen Long New Town and Kam Tin North, and the proposed residential development under the Land Sharing Pilot Scheme and the proposed flat and community hub development under an approved application No. A/YL-NSW/274 were located to the north of the Site. The proposed development was considered compatible with the surroundings. The Site was located within the Northern Metropolis (NM) and hence the proposed development could expedite the development of NM;

- (e) the proposed development had a total plot ratio (PR) of about 3.028, with domestic PR of 2.928 and non-domestic PR of 0.1, providing about 3,565 residential units in the short to medium term and about 5,358m<sup>2</sup> retail floor space to serve the neighbourhood;
- (f) to address the issue of aging population in the area, government, institution and community facilities including Neighbourhood Elderly Centre and one team of Home Care Services for Frail Elderly Persons would be provided in the proposed development; and
- (g) various technical assessments had been conducted, which confirmed that the proposed development was technically feasible. Relevant government bureaux and departments (B/Ds) had no objection to or adverse comment on the current application.

82. As the presentations of the PlanD's representative and applicants' representative had been completed, the Chairperson invited questions from Members.

# The Potential Public Housing Development (PHD)

- 83. The Chairperson and some Members raised the following questions:
  - (a) the boundary of the potential PHD and its overlapping area with the proposed development;
  - (b) whether the potential PHD occupied the entire "U" zone;
  - (c) the current status of the potential PHD;
  - (d) whether the Housing Department (HD) was consulted on the proposed development, and how the micro-climate issue could be addressed if the potential PHD would be carried forward in the future; and
  - (e) whether rejection of the application at the section 16 (s.16) application stage

was solely due to the interface with the potential PHD.

84. In response, with the aid of some PowerPoint slides, Ms Josephine Y.M. Lo, DPO/FSYLE, PlanD made the following main points:

- (a) the potential PHD was within the subject "U" zone, and yet its boundary was not available in the public domain. According to the latest findings of the "Site Formation and Infrastructure Works for Housing Developments at Tung Shing Lei, Au Tau, Kam Tin and Yuen Long Tai Yuk Road, Yuen Long Feasibility Study" (the Study) conducted by the Civil Engineering and Development Department (CEDD), the Site encroached on a minor portion of (about 15%) the potential PHD site;
- (b) the potential PHD would not occupy the entire "U" zone. Part of the "U" zone was intended for private residential development and other supporting facilities;
- (c) according to the 2017 Policy Address (PA), the subject "U" zone in Tung Shing Lei was identified as one of the potential sites for PHD in the short to medium term. In that regard, CEDD commenced the Study in 2021, which was originally targeted for completion by end 2023. However, given the various technical issues that needed to be resolved, the Study was still on-going, with target completion by end 2025. In light of the Government's re-prioritisation exercise announced in the Budget 2024-25 and that the Government had identified sufficient land to meet the supply target of public housing units for the next 10 years as revealed in the 2024 PA, the Long Term Housing Strategy Annual Progress Report 2024 and the Budget 2025-26, there was currently no implementation programme for the potential PHD in Tung Shing Lei;
- (d) PlanD had maintained close liaison with HD, and in view of the above, HD did not raise any objection to the proposed development under the current review application. As general practice, HD would review and undertake relevant technical assessments (including those related to the micro-climate issue), taking into account the proposed development as a committed development if approved, should the Government pursue further plan for PHD at the "U" zone

in the future; and

(e) the only ground for rejecting the s.16 application was that the encroachment of the proposed development onto the potential PHD site would jeopardise the Government's intention and development potential of the potential PHD. Other relevant B/Ds had no objection to or adverse comment on the application and the relevant technical assessments conducted for the proposed development.

### The Site Context

85. A Member enquired about the justifications for the maximum building height (BH) of 139mPD for the proposed development. With the aid of some PowerPoint slides, Ms Josephine Y.M. Lo, DPO/FSYLE, PlanD explained that the proposed development was arranged in a three-tier stepped BH profile, descending from the building blocks of 139mPD in the west to 91.6mPD to 112.8mPD in the south, and low-rise houses of 12 to 15mPD in the north, providing a smooth transition between the high-density development in Yuen Long New Town (about 150mPD) to its west and the low-to-medium density developments (about 50 to 100mPD) at Kam Tin North area to its east. The development area of the Site was relatively small given that quite a significant portion of the northeastern corner was proposed as an Egretry Preservation Zone, which comprised an eco-lake and a landscaped area. Taking into account the design intention and the site context above, the proposed stepped BH profile was considered reasonable.

86. A Member enquired whether the proposed development would affect any village in Tung Shing Lei and any relocation of residents would be involved. In response, Ms Theresa Yeung, the applicants' representative, said that the implementation of the proposed development would not affect any village, and yet there were temporary structures within the Site that would require removal upon commencement of construction works at the Site.

#### Environment and Ecology

87. Some Members raised the following questions:

- (a) details of the proposed eco-lake and its future management and maintenance (M&M) arrangement;
- (b) whether the proposed eco-lake and landscape area within the proposed development would be open for enjoyment of the future residents and the general public; and
- (c) whether the existing birds' flight paths would be affected by the proposed development.

88. In response, with the aid of some PowerPoint slides, Ms Theresa Yeung and Mr Vincent Lai, the applicants' representatives, made the following main points:

- (a) the M&M responsibility for the proposed eco-lake would be borne by the operators of the commercial portion of the proposed development, and the cost of M&M would not be borne by the future residents of the domestic portion;
- (b) considering the conservation purpose of the Egretry Preservation Zone and the intention to create a tranquil environment for the habitats, the eco-lake and landscape area would not be open to the public, and access to the Zone would be allowed for future residents under restricted terms and conditions; and
- (c) the Tung Shing Lei Egretry and the flight paths of ardeids at the Egretry were reported in the Ecological Impact Assessment. The flight path survey identified three flight zones of the ardeids, where most birds flew in and out of the Egretry at northerly direction, while small fractions of births flew easterly and westerly directions. The layout of the proposed development was sensitively designed to avoid obstruction to the three flight zones, with high-rise building blocks all deposited outside the said flight zones. That said, the Tung Shing Lei Egretry had been abandoned since 2021, and a new egretry was found near Kam Tin. Although it was uncommon for an abandoned egretry to be recolonised, the proposed mitigation measures were pre-cautionary in nature. The Director of Agriculture, Fisheries and Conservation had no in-principle objection to the application, the proposed development and mitigation measures

#### from ecological perspective.

89. In response to a Member's enquiry on the Director of Environmental Protection (DEP)'s comments in paragraph 5.2.3(c) of the Paper with regard to the amendments of the Environmental Impact Assessment Ordinance (EIAO), Ms Josephine Y.M. Lo, DPO/FSYLE, PlanD said that according to the pre-amended EIAO, the proposed development would constitute a designated project (DP) under Item P.2, Part 1 in Schedule 2 of the EIAO and required an Environmental Permit (EP) for the construction and operation as the proposed development consisted of not less than 2,000 flats and the Site was not served by public sewerage networks by the time of population intake. Nevertheless, since the amended EIAO took effect on 30.6.2023, the proposed development no longer constituted a DP and thus an EP was not required.

## Traffic and Transport

- 90. Two Members raised the following questions:
  - (a) the access arrangement of the proposed development and its implementation assumed in the Traffic Impact Assessment (TIA); and
  - (b) the land ownership of the Site, in particular the area designated for the proposed road link connecting the northern (i.e. C2A) and southern (i.e. C2B) parts of the Site, which further led to Castle Peak Road – Yuen Long.

91. In response, with the aid of some PowerPoint slides and a visualiser, Ms Theresa Yeung, the applicants' representative, made the following main points:

(a) as shown on Drawing R-1 of the Paper, the vehicular ingress/egress point was proposed at the C2B site which would be connected with the C2A site through an internal road link at basement car park level, while the internal road under the viaduct of MTR – Tuen Ma Line at ground level would only serve as emergency vehicular access. Although a possible future road connection leading to Yuen Long Highway to the north of the Site was illustrated, the TIA had only taken into account the proposed access road leading to Castle Peak Road – Yuen Long at the south of the Site. The applicants would further liaise with relevant government departments on the feasibility of the possible future road; and

(b) the Site only involved private lots, while the internal road link at the basement level connecting the C2A and C2B sites was located outside the site boundary and fell on government land. The applicants would liaise with the Lands Department to implement the proposed access roads under the existing land administration mechanism, such as land exchange.

92. The Chairperson asked whether there was approval condition to ensure the implementation of the proposed access road of the proposed development. In response, Ms Josephine Y.M. Lo, DPO/FSYLE, PlanD said that an approval condition requiring the design and provision of vehicular access, including but not limited to the access road between the Site and Castle Peak Road – Yuen Long, should be imposed as recommended in the Paper.

## Noise and Air Ventilation Impacts

93. Two Members raised the following questions:

- (a) given the proposed development was in close proximity to the MTR Tuen Ma Line, whether there were concerns related to railway noise and air ventilation impacts; and
- (b) the target completion year and peak year of traffic assumed in the Noise Impact Assessment (NIA).

94. In response, Ms Theresa Yeung, the applicants' representative, made the following main points:

(a) the railway noise impact had been assessed in the NIA, which concluded that as the building blocks were sited with adequate separation distance from the open track section of the railway, with the implementation of proposed mitigation measures, no unacceptable railway noise impact was anticipated. DEP had no objection to the application. According to the Air Ventilation Assessment, the proposed development, with proposed mitigation measures including stepped BH profile, building separation and setback, would be acceptable in air ventilation terms; and

(b) while the target completion year of the proposed development assumed in the NIA was 2026 and the updated target completion year was 2030, the conclusion that the proposed development was environmentally acceptable remained valid regardless of the target completion year. To ensure that the most updated condition of the Site would be assessed, an approval condition on the submission of a revised NIA and implementation of the mitigation measures identified therein was recommended according to the Paper.

### Drainage and Storm Surge

95. A Member expressed concern that the Tsim Bei Tsui Tide Station recorded the height of tide of Deep Bay at 4.71m during the time of Super Typhoon Hato in 2017. Noting that the Site was situated in a low-lying area with site formation generally at about +4mPD, the Member raised concern on the potential flooding and storm surge impacts on the proposed development, and enquired whether the Drainage Impact Assessment (DIA) had taken into account the updated technical manuals of the Drainage Services Department (DSD), in particular those requirements on the rainwater discharge, and if there were any measures to mitigate the risk and damage of storm surge. In response, Ms Theresa Yeung, the applicants' representative, said that the DIA was completed in 2023, which would be reviewed, taking into account the latest technical manuals of DSD. As there was concern about flooding and storm surge in the area, the site formation level of the proposed development would be further reviewed at the detailed design stage. A relevant approval condition on the submission and implementation of a drainage proposal was recommended in the Paper to ensure that the concern would be adequately addressed.

[Ms Sandy H.Y. Wong and Professor Simon K. L. Wong left the meeting during the Q&A session.]

96. As Members had no further question to raise, the Chairperson said that the hearing procedure for the review application had been completed. The Board would further deliberate on the review application in the absence of the applicants' representatives and would inform the applicants of the Board's decision in due course. The Chairperson thanked PlanD's representatives and the applicants' representatives for attending the meeting. They left the meeting at this point.

#### **Deliberation Session**

97. Members generally agreed with the Paper's recommendation to approve the application on review, considering that HD had no objection to the proposed development in view of the latest circumstances of the case.

98. A Member was concerned about the implementation of the proposed road link at the basement level connecting C2A and C2B sites, which fell outside the Site boundary and was located on government land. The Member considered that the design of the proposed road link in relation to the proposed development and the relevant land exchange should be dealt with properly by the relevant government departments.

99. In view of the general trend of extreme weather and rising sea level, a Member was concerned about the storm surge issue at the Site as it was situated in a low-lying area with proposed site formation level generally around 4mPD. With reference to the San Tin Technopole development, the proposed site formation level was raised nearly 2m higher than the existing ground level to cater for storm surge. The Member considered that the applicants should critically review the proposed site formation of the Site to mitigate the risk and damage of storm surge, and assess the consequential issues brought by the increased site formation level, such as compatibility with the surroundings and road design, among others.

100. The Chairperson concluded that Members generally considered that the application could be approved, and the Board also agreed that the approval conditions/advisory clauses should be suitably reviewed to address Members' concerns regarding the implementation of the proposed road link at the basement level and storm surge.

101. After deliberation, the Board <u>decided</u> to <u>approve</u> the application on review, on the terms of the application as submitted to the Town Planning Board. The permission should be valid until <u>21.3.2029</u>, and after the said date, the permission should cease to have effect unless before the said date, the development permitted was commenced or the permission was renewed. The permission was subject to the approval conditions as stated in the Paper.

102. The Board also <u>agreed</u> to <u>advise</u> the applicants to note the advisory clauses as set out in the annex of the Paper with the following additional advisory clause:

> "in the submission and implementation of the drainage proposal for compliance with the relevant approval condition, the applicants should take into account the latest Technical Manuals, Technical Circulars and Practice Notes, including but not limited to the Stormwater Drainage Manual - Corrigendum No. 1/2022, No. 1/2024 and No. 2/2024, issued by the Drainage Services Department with a view to addressing the potential impacts of flooding and storm surge on the proposed development."

# Agenda Item 5

[Open Meeting]

## Any Other Business

[The meeting was conducted in Cantonese.]

103. There being no other business, the meeting was closed at 3:00 p.m.