

APPLICATION FOR PERMISSION
UNDER SECTION 16 OF THE TOWN PLANNING ORDINANCE

APPLICATION NO. A/H3/438

<u>Applicant</u>	Million Base Properties Limited and Million Basis Property Limited represented by Kenneth To and Associates Ltd.
<u>Site</u>	3-6 Glenealy, Central, Hong Kong
<u>Site Area</u>	About 1,088.3m ²
<u>Lease</u>	Inland Lot (IL) 140 s.E ss.1 RP, 140 s.E. RP, IL 140 s.D RP and and IL 7986 RP
<u>Plan</u>	Approved Sai Ying Pun & Sheung Wan Outline Zoning Plan (OZP) No. S/H3/31
<u>Zoning</u>	“Residential (Group A)” (“R(A)”) - a maximum building height (BH) of 150mPD or the height of the existing building, whichever is the greater
<u>Application</u>	Proposed Office, Shop and Services/Eating Place

1. The Proposal

- 1.1 The applicant seeks planning permission for a proposed 22-storey office development with shop/eating place on LG/F to 2/F at 3-6 Glenealy, Central (the Site). The Site falls within an area zoned “R(A)” on the approved Sai Ying Pun & Sheung Wan OZP No. S/H3/31 (**Plan A-1**). According to the Notes of the “R(A)” zone, while ‘Office’, ‘Shop and Services’ and ‘Eating Place’ uses are always permitted on the lowest three floors of the building, planning permission from the Town Planning Board (the Board) is required for such uses above the lowest three floors.
- 1.2 In support of the application, the applicant submitted the following documents:
- (a) Application form received on 27.4.2018 (**Appendix I**)
 - (b) Planning Statement (including traffic impact assessment (TIA)) received on 27.4.2018 (**Appendix Ia**)

- (c) Applicant's letter dated 7.6.2018 requesting deferment of consideration of the application **(Appendix Ib)**
- (d) Further Information dated 10.7.2018 providing responses to Transport Department's comments with supplementary information on the TIA submitted by the Applicant **(Appendix Ic)**
- (e) Further Information dated 23.8.2018 providing clarifications in response to Transport Department's comments submitted by the Applicant (*accepted but exempted from publication requirement*) **(Appendix Id)**

1.3 The main development parameters and floor uses of the proposed development are set out below:

Site Area	1,088.3m ² (about)
Non-domestic Plot Ratio (PR)	12
Total non-domestic GFA	13,049.38 m ²
- Office	-10,757.64 m ²
- Shop and Services/Eating Place	-2,291.74 m ²
No. of Blocks	1
BH	131.15mPD (at main roof)
No. of Storeys	22
Site Coverage (SC)	Not more than 65% (above podium)
Building Setback	Approximate 2.7m away from the site boundary along Glenealy
Car Parking Spaces	
- Private Car	- 63
- Motorcycle	- 7
Loading/Unloading (L/UL) Facilities	6 L/UL bays for Light Goods Vehicle
Major Uses by floor:	
B1/F to B3/F	Car Park
LG/F	Lobby / Cafe / L/UL Bay
G/F to 2/F	Shop / Eating Place / E&M facilities
3/F-17/F	Office
Roof	E&M facilities

1.4 The indicative floor layouts and section plan are shown at **Drawings A-1 to A-6**.

1.5 The proposed development will provide a building set back of about 2.7m away from the site boundary along Glenealy. This will enable the existing footpath at Glenealy to be widened from 2.9m to 5.6m. It is expected that the proposed development would be completed by 2022.

1.6 The application was received on 27.4.2018 and was originally scheduled for consideration by the Metro Planning Committee (the Committee) on 15.6.2018. On 15.6.2018, at the request of the applicant, the Committee decided to defer making a decision on the application pending the submission of FI by the applicant. The latest

FI was submitted by the applicant on 23.8.2018 (**Appendix Id**). The application is thus scheduled for consideration by the Committee at this meeting.

2. Justifications from the Applicant

The justifications put forth by the applicant in support of the application are detailed in Section 4 of the planning statement in **Appendix Ia**. They are summarised as follows:

- (a) the Site is located at the fringe of the central business district (CBD). The area sandwiched between Hollywood Road and Caine Road is occupied by a variety of land uses, including hotel, recreation and commercial uses such as the Former Central Police Station (CPS) Compound (i.e. Tai Kwun). The proposed development with office and retail shops within a mixed-use precinct is considered compatible to the surrounding land uses;
- (b) the proposed development could inject a new supply of office floor space at the fringe of Central, which is considered necessary to sustain a healthy balance of demand and supply of office space;
- (c) the proposed development provides a 2.7m setback from the boundary of the Site for a wider footpath of about 5.6m. With shops/eating places on LG/F, G/F and 1-2/F, as well as possible landscaping and/or street furniture, the proposed development will bring improvements to the walking environment of the upper part of Glenealy; and
- (d) the proposed development is in line with Town Planning Board Guidelines No.5 – “Application for Office Development in Residential (Group A) Zone under Section 16 of the Town Planning Ordinance” in that:
 - (i) the proposed development has a floor plate of 707.4m² (at maximum SC of 65%) which is able to accommodate medium-sized offices and provide flexibility to accommodate smaller-sized offices;
 - (ii) the proposed development provides internal transport facilities in accordance with the Hong Kong Planning Standards and Guidelines (HKPSG);
 - (iii) the Site is located within walking distance from Central MTR station;
 - (iv) the TIA has demonstrated that the proposed development would not result in adverse traffic impact;
 - (v) the proposed development is considered compatible with the mixed-use character of the locality; and
 - (vi) the proposed development is purposely designed for office use

3. Compliance with the “Owner’s Consent/Notification” Requirements

The applicants are one of the “current land owners”. In respect of the other “current land owners”, the applicant has complied with the requirements as set out in the Town Planning Board Guidelines on Satisfying the “Owner’s Consent/Notification” Requirements under

Sections 12A and 16 of the Town Planning Ordinance (TPB PG-No. 31A) by giving notification letters to the other two relevant Owners. Detailed information would be deposited at the meeting for Members' inspection.

4. Background

The Site and its surrounding area were previously zoned "Commercial/Residential" ("C/R") on the draft OZP No. S/H3/23 (**Plan A-3**). On 7.5.2010, draft OZP No. S/H3/24 incorporating amendments to rezone the subject "C/R" site to "Commercial" ("C") and "R(A)" was exhibited for public inspection, with a view to providing a clear planning intention for these sites. Sites on both sides of Arbuthnot Road and the southern part of Glenealy, including the Site, were rezoned to "R(A)" while the sites on both sides of Wyndham Street were rezoned to "C". Since then, the zonings of these sites have remained unchanged.

5. Town Planning Board Guidelines

5.1 The Town Planning Board Guidelines for Application for Office Development in "Residential (Group A)" Zone under Section 16 of the Town Planning Ordinance (TPB PG-No. 5) are relevant to this application. The relevant assessment criteria are summarised as follows:

- (a) the site should be sufficiently large to achieve a properly designed office building;
- (b) there should be adequate provision of parking and L/UL facilities within the site in accordance with HKPSG and to the satisfaction of the Transport Department (TD). For sites with narrow frontage, where on-site L/UL requirement cannot be met, the applicant should demonstrate that there are alternative locations for L/UL facilities to the satisfaction of TD
- (c) the site should be at an easily accessible location, e.g. close to the Mass Transit Railway Station or well served by other public transport facilities;
- (d) the proposed office development should not cause congestion and disruption to the traffic flow of the locality;
- (e) the proposed office building should be compatible with the existing and planned land uses of the locality and it should not be located in a predominantly residential area; and
- (f) the proposed office development should be purposely designed for office/commercial uses so that there is no risk of subsequent illegal conversion to substandard domestic units or other uses.

5.2 In general, the Board will give favourable consideration to planning applications for office developments which produce specific environmental and planning gains, for example, if the site is located near to major sources of air and noise pollution such as a major road, and the proposed office development is equipped with central air-conditioning and other noise mitigation measures which make it less susceptible to

pollution than a residential development. Other forms of planning gain which the Board would favour in a proposed office development would include public open space and community facilities required in the planning district.

6. Previous Application

There is no previous application at the Site.

7. Similar Applications

There are 14 similar applications for office developments within the “R(A)” zone of the Sai Ying Pun & Sheung Wan OZP (**Plan A-1**). All applications except A/H3/402 and A/H3/432 were processed before 2003. Out of these, 10 applications (i.e. Nos. A/H3/153, A/H3/154, A/H3/177, A/H3/192, A/H3/214, A/H3/221, A/H3/247, A/H3/328, A/H3/402 and A/H3/432) were approved with conditions and 4 applications (i.e. Nos. A/H3/190, A/H3/207, A/H3/211 and A/H3/377) were rejected. The applications that were rejected by the Board were mainly due to the reasons that the proposed development was not compatible with the residential nature of the surrounding area; the adverse traffic impacts caused; and the setting of an undesirable precedent. Details of the applications are provided at **Appendix II**.

8. The Site and its Surroundings (Plans A-3 to A-5)

8.1 The Site is:

- (a) located at Glenealy, between Arbuthnot Road and Wyndham Street with a steep gradient;
- (b) occupied by two residential buildings at 3-4 Glenealy (9 storeys) and 5-6 Glenealy (11 storeys) providing a total of 73 flats. The buildings were built in the 1960s with a retail shop on G/F of 3-4 Glenealy; and
- (c) located about 300m away the Central MTR Station.

8.2 The surrounding area has the following characteristics:

- (a) the triangular street block bounded by Wyndham Street to the northeast, Arbuthnot Road to the west and Glenealy to the southeast is predominantly a mixed-use area with retail shops and restaurants on the ground floor and offices or residential uses above;
- (b) to the east and south of the triangular street block are the Hong Kong Sheng Kung Hui Compound and Hong Kong Zoological and Botanical Gardens, while to the northwest is the Former CPS Compound; and
- (c) in close proximity to the area known as SOHO (south of Hollywood Road) with upmarket bars and eateries. Lan Kwai Fong is about 80m away.

9. Planning Intention

The “R(A)” zone is intended primarily for high-density residential developments. Commercial uses are always permitted on the lowest three floors of a building or in the purpose-designed non-residential portion of an existing building.

10. Comments from Relevant Government Departments

10.1 The following government departments have been consulted and their views on the application are summarised as follows:

Land Administration

10.1.1 Comments of the District Lands Officer/Hong Kong West and South, Lands Department (DLO/HKW&S, LandsD):

- (a) the Site falls within private lots, namely IL 140 s.E ss.1 RP, IL 140 s.E RP, IL 140 s.D RP and IL 7986 RP. As the sections of the lots within the Site were carved out under private agreement(s), the lot owner is advised to carry out necessary survey to ensure the accuracy of the site area at building plan submission stage and submit relevant survey to District Survey Office/Hong Kong for verification, if necessary;
- (b) the government lease governing IL 140 s.D RP is subject to restrictions including non-offensive trade clause. For the proposed eating place use, application for licence to remove several offensive trades from the non-offensive trade clause is required; and
- (c) the current proposal submitted by the applicant does not conflict with the lease conditions governing the subject site save and except for the aforesaid non-offensive trade restriction in respect of IL 140 s.D RP; and so, if the application is approved by the Board, the application is not required to seek lease modification from LandsD to implement it except for an offensive trade licence. Therefore, any planning conditions, if imposed by the Board, cannot be written into the lease through lease modification.

Traffic Aspect

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

- (a) having reviewed the TIA and the supplementary information on the TIA, there is no further comment on the application from traffic engineering point of view;
- (b) the TIA report and its supplementary information showed that the existing major junctions near the proposed development can still accommodate the expected traffic growth and the additional trips generated and attracted by the proposed development in year 2025; and

- (c) TD welcomes the proposal of building setback of about 2.7m to make way for a wider footpath. The existing footpath of about 2.9m will then be widened to about 5.6m to provide space for landscaping and/or street furniture to enhance the street amenity and walking environment.

Building Aspect

10.1.3 Comments of the Chief Building Surveyor/Hong Kong West, Buildings Department (CBS/HKW, BD):

- (a) it is noted that the SC proposed by the applicant exceeds that permitted in the First Schedule of the Building (Planning) Regulations (B(P)R). If the applicant intends to apply for flexibility in determining SC under regulation 20 of B(P)R upon formal plan submission, the requirements in PNAP APP-132 and the SBD guidelines stipulated in PNAP APP-151 & 152 should be complied with;
- (b) means of escape arrangement should comply with the Code of Practice for Fire Safety in Buildings 2011; and
- (c) detailed comments on the proposal will be given at formal building plans submission stage.

Environmental Aspect

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

- (a) as office developments are normally provided with centralized air conditioning system, the applicant/Authorized Persons should be able to select a proper location for fresh-air intake at the detailed design stage to avoid exposing future occupants from unacceptable environmental nuisances/impact; and
- (b) should the Board approve this application, approval conditions requiring the applicant to submit a sewerage impact assessment (SIA) to the satisfaction of DEP or of the Board; and to implement the local sewerage upgrading/sewerage connection works identified in the SIA to the satisfaction of the Director of Drainage Services (DSD) or of the Board are recommended to be included in the planning permission.

Sewerage Aspect

10.1.5 Comments of the Chief Engineer/Hong Kong & Islands (CE/HK&I), DSD:

- (a) no objection to the application;
- (b) the applicant is required to demonstrate with hydraulic calculations that the existing downstream public sewage facilities have adequate capacity to accommodate the flow from the proposed development. If required, the applicant should bear all costs and undertake improvement/upgrading works to the existing public sewerage systems for handling

additional discharge due to the proposed development to the satisfaction of DSD; and

- (c) the applicant should seek the approval of SIA from the Environmental Protection Department.

Fire Safety Aspect

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

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

Urban Design & Visual Aspect

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

- (a) no comment on the proposal from urban design/visual impact perspective; and
- (b) the Site is in close proximity to an area zoned “Commercial” along Wyndham Street, which is within an area shown as “SOHO and its immediate adjoining area” under the Explanatory Statement of the OZP. The scale of the proposal is not considered incompatible with the surrounding planning context. The proposed eating place/shop and services uses on the lowest three floors of the development would also help inject vibrancy and interest to the adjoining streetscapes.

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

- (a) the proposed use, development massing and intensity may not be incompatible with the adjacent developments with BH restriction ranging from 120mPD to 200mPD. In this regard, there is no comment from the visual impact point of view;
- (b) 20% greenery within the Site should be provided in accordance with PNAP APP-152; and
- (c) for the section plan in Appendix 1 of the planning statement (**Drawing A-6**), the floor-to-floor height for each floor and the main roof height in mPD should be clearly indicated.

Landscape Aspect

10.1.9 Comments of CTP/UD&L, PlanD:

- (a) the Site is situated in an area of urban landscape character and medium to high rise residential and commercial buildings are common in the surrounding areas. The proposed development is considered not incompatible with the existing landscape character;
- (b) significant change or disturbances arising from the proposed development to the existing landscape character and resource is not anticipated; and
- (c) there is no landscape/greening treatments for the proposed development. The applicant should explore and maximise the provision of greening to improve the landscape and visual amenity in this application as far as practical.

Others

10.1.10 Comments of the District Officer (Central and Western), Home Affairs Department (DO(C&W), HAD)

- (a) redevelopment of the captioned site into a 22-storey office block is a matter of considerable public concern in light of the adverse traffic, air ventilation and environmental impacts brought about by the redevelopment, as well as the demand for residential land in the area; and
- (b) we note that some members of the public have lodged objection to the captioned application. We trust that the Board will take all the public views received into account when deliberating the application.

10.1.11 The following government departments have no objection to/no comment on the application:

- (a) Project Manager (South), Civil Engineering and Development Department;
- (b) Head of Geotechnical Engineering Office, Civil Engineering and Development Department ;
- (c) Chief Highway Engineer/Hong Kong, Highways Department ;
- (d) Chief Engineer/Development (2), Water Supplies Department;
- (e) Road Management Office (Traffic Hong Kong Island), Hong Kong Police Force; and
- (f) District Operations Officer (Central District), Hong Kong Police Force.

11. Public Comments Received During Statutory Publication Period

11.1 During the statutory publication period of the application (ended on 25.5.2018), and its subsequent FI dated 10.7.2018 (ended on 10.8.2018), a total of 100 comments were received. Amongst the public comments received, there are 59 supporting comments from individuals; 41 opposing comments from individuals including Central & Western District Council Member Ms CHENG Lai-king, Central & Western Concern Group and Designing Hong Kong. A full set of the public comments received are at **Appendix III** for Members' reference.

11.2 The major grounds of public comments received can be summarised as follows:

Supporting Comments

- (a) the Site is sufficiently large to achieve a proper office building;
- (b) the proposal can increase the supply of office space in the Central district to meet the demand especially for the small and medium enterprises;
- (c) the proposal can increase the supply of office and retail space in the Central district to alleviate the problem of high rental cost;
- (d) the proposed development provides more bars and eating places in the vicinity of the Wyndham Street and Lan Kwai Fong area to cater for the increasing demand from business operators, tourists and local people for bars and restaurants;
- (e) the Site is located near the commercial buildings on Wyndham Street and bars and restaurants in Wyndham Street and Lan Kwai Fong. The proposed development will not generate adverse land use interface and is more compatible with the surrounding environment in terms of planning and land use;
- (f) the proposal will increase the car parking spaces and improve the road traffic situation;
- (g) the proposed development can enhance the local character; and
- (h) there are several precedent cases of approving commercial development in R(A) zone in a mixed commercial/residential district. There are sufficient grounds for approval.

Opposing Comments

- (i) given the housing shortage and the acute demand for additional housing land in Hong Kong, conversion of land use from residential to commercial will reduce the housing supply. A residential development with commercial and car parking on the lower levels at the Site would also be appropriate;
- (j) Glenealy is already very congested and unlikely to accommodate additional traffic generated from the proposed development. Glenealy is always a bottleneck area causing traffic congestion to the surrounding area, especially

Albany Road. Currently, the roadside car parking on Glenealy has reduced the road from two lanes to one lane, especially during weekdays, and caused the traffic backing up to the top of Glenealy. The proposed commercial development will increase the traffic pressure on this steep and narrow road and the surrounding road network, and will cause additional noise and light pollution and safety problem to the neighbourhood;

- (k) there is no TIA on pedestrians. It is worried that the existing narrow pavement at Glenealy cannot afford the increase of people flow. Moreover, the issue of driving in and out over the narrow pavements from the proposed basement carpark would adversely affect the walking environment and safety of the pedestrians;
- (l) the commercial buildings surveyed in the TIA for deriving the trip generation rates of the proposed development are inappropriate. These buildings are all of much smaller GFA (from 3,024 – 4,900m²) than the proposed office building of 13,049m², and not in similar locations;
- (m) Glenealy is a residential neighbourhood with small-scale shops and restaurants on the ground floor. The proposed development will adversely affect the quiet environment of the neighbourhood. Retail, restaurant and other entertainment uses should be confined to the Lan Kwai Fong area, Wyndham Street and SOHO; and
- (n) the proposed development with an excessive BH would create wall effect, adverse visual impact and air ventilation of the nearby residential buildings.

12. Planning Considerations and Assessment

- 12.1 The applicant proposes to redevelop the two existing residential buildings into a 22-storey office building with 15 office levels, 4 levels of eating place and shop and services, and 3 levels of basement car parks, providing 63 car parking spaces, 7 motorcycle spaces and 6 L/UL bays for light good vehicles. The proposed BH of the development is 131.15mPD which is within the BH restriction on the OZP. The applicant also proposes a setback of about 2.7m from the site boundary fronting Glenealy for a wider footpath (from about 2.9m to about 5.6m) to provide space for landscaping and/or street furniture to enhance the street amenity and improve the walking environment.
- 12.2 The Site is zoned “R(A)” which is intended primarily for high-density residential development with commercial uses always permitted on the lowest three floors of a building or in the purpose-designed non-residential portion of an existing building. In view of the planning intention of the “R(A)” zone and the current shortage of housing land to meet the pressing housing needs of the community, sites planned for residential use should be developed in general for its zoned use upon redevelopment unless with strong justifications.
- 12.3 The Site is located in a mixed-use neighbourhood in close proximity to the commercial cluster along Wyndham Street and the wining and dining area of SOHO. While the proposed office development with shop and services/eating places on the lowest four floors is considered not incompatible with the surrounding developments,

it is not fully in line with the planning intention of the “R(A)” zone. Moreover, redevelopment of the existing two residential buildings with a total of 73 flats would result in a net loss of housing supply.

- 12.4 While all relevant government departments have no objection to the proposed office development, the applicant has not demonstrated that the Site is not conducive to residential development. Hence, the application does not warrant special consideration.
- 12.5 As mentioned in paragraph 4 above, the Site together with its surrounding area along Arbuthnot Road and Glenealy were rezoned from “C/R” to “R(A)” in 2010. Having considered the predominant residential nature of the existing developments in the area, the planning intention at that time was to maintain the area for residential use. Hence, approval of the application would set an undesirable precedent for other residential sites in the same “R(A)” zone.
- 12.6 There are public comments raising concerns on the traffic impact caused, the wall effect and the excessive BH of proposed development. There are also public comments in support of the application as the proposal could increase the supply of office and retail floor space, attract more tourists and enhance the local character of the area. The views given in paragraphs 12.2 to 12.5 above and the comments of the relevant government departments in paragraph 10 are relevant.

13. Planning Department’s Views

- 13.1 Based on the assessment made in paragraph 12 and having taken into account the public comments mentioned in paragraph 11, PlanD does not support the application for the following reasons:
- (a) the proposed office development is not in line with the planning intention of the “R(A)” zone which is for high-density residential developments. The approval of the application would result in a reduction of housing supply;
 - (b) the applicant has failed to demonstrate that the Site is not conducive to residential development; and
 - (c) approval of the application would set an undesirable precedent for similar applications in the same “R(A)” zone. The cumulative effect of approving such applications would aggravate the shortfall in the supply of housing land.
- 13.2 Should the Committee decide to approve the application, it is suggested that the permission shall be valid until 7.9.2022, and after the said date, the permission shall cease to have effect unless before the said date, the development permitted is commenced or the permission is renewed. The following conditions of approval and advisory clauses are also suggested for Members’ reference:

Approval Conditions

- (a) the provision of the car parking and loading/unloading facilities to the satisfaction of the Commissioner for Transport or of the Town Planning Board;

- (b) the submission of a Sewerage Impact Assessment (SIA) to the satisfaction of the Director of Environmental Protection or of the Town Planning Board;
- (c) the implementation of the local sewerage upgrading/sewerage connection works as identified in the SIA to the satisfaction of the Director of Drainage Services or of the Town Planning Board; and
- (d) the provision of water supplies for fire fighting and fire service installations to the satisfaction of the Director of Fire Services or of the Town Planning Board.

Advisory Clauses

The recommended advisory clauses are attached at **Appendix IV**.

14. Decision Sought

- 14.1 The Committee is invited to consider the application and decide whether to grant or refuse to grant permission.
- 14.2 Should the Committee decide to approve the application, Members are invited to consider the approval condition(s) and advisory clause(s), if any, to be attached to the permission, and the date when the validity of the permission should expire.
- 14.3 Alternatively, should the Committee decide to reject the application, Members are invited to advise what reason(s) for rejection should be given to the applicant.

15. Attachments

Appendix I	Application form received on 27.4.2018
Appendix Ia	Supporting Planning Statement received on 27.4.2018
Appendix Ib	Letter for deferment received on 7.6.2018
Appendix Ic	Further Information received on 10.7.2018
Appendix Id	Further Information received on 23.8.2018
Appendix II	Similar s.16 planning applications
Appendix III	Public comments
Appendix IV	Advisory Clauses
Drawings A-1 to A-6	Floor plans and section plan submitted by the Applicant
Plan A-1	Location Plan
Plan A-2	Site Plan
Plan A-3	Location Plan on previous OZPs
Plans A-4 to A-5	Site Photos