

APPLICATION FOR AMENDMENT OF PLAN
UNDER SECTION 12A OF THE TOWN PLANNING ORDINANCE

APPLICATION NO. Y/MOS/6

- Applicant** : Towerich Limited represented by Kenneth To & Associates Limited
- Plan** : - Approved Ma On Shan Outline Zoning Plan (OZP) No. S/MOS/22 at the time of submission
- Draft Ma On Shan OZP No. S/MOS/23 currently in force
- Application Site** : 29 On Chun Street, Ma On Shan, New Territories
- Site Area** : About 8,000m²
- Lease** : STTL 461
(a) New Grant No. 13008
(b) For hotel purposes, and other purposes including bank, fast food shop, place of entertainment, private club and retail shop only within the first three floors above the ground level of the building
(c) Maximum GFA: 56,000m²
(d) Maximum GFA for commercial purposes: 16,000m²
- Zoning** : “Other Specified Uses” annotated “Hotel” (“OU(Hotel)”) subject to the following restrictions –
- maximum plot ratio: 7.0
- maximum building height: 50mPD
(the zoning of the Site remains unchanged on the extant OZP)
- Proposed Amendment** : To rezone the application site to “Residential (Group A)12” (“R(A)12”) subject to a plot ratio restriction of 7.0 and building height restriction of 50mPD

1. The Proposal

- 1.1 The applicant proposes to rezone the application site (the Site) from “OU(Hotel)” to “R(A)12”. According to the Notes of the “R(A)12” zone proposed by the Applicant at **Appendix II**, ‘Flat’ is a Column 1 use always permitted as of right, while “Hotel” is a Column 2 use subject to planning permission, and the Site shall be subject to a maximum plot ratio (PR) of 7.0 and a maximum building height (BH) of 50mPD. The proposal to rezone is to facilitate residential development in general, irrespective of whether such a development would be delivered through conversion of the existing hotel building at the Site, although it is noted that partial or wholesale conversion is the current intention of the applicant.

- 1.2 The Site is currently occupied by a hotel providing 831 hotel rooms with retail and dining facilities. It comprises the southern, central and northern wings. Carparking and utility facilities are located at basement. The existing PR and BH of the hotel are 6.92 and 50mPD respectively.
- 1.3 In support of the rezoning proposal, the applicant has submitted two indicative schemes for partial or wholesale conversion of the existing hotel, namely the “Residential cum Hotel Scheme” (**Drawings Z-1 to Z-9**) with 637 residential flats and 194 hotel rooms, and a “Full Residential Scheme” (**Drawings Z-10 to Z-18**) with 758 residential flats. Supporting commercial facilities are also proposed for both schemes. Development parameters of the two indicative schemes are as follows:

Development Parameters of the Indicative Schemes		
Scheme	“Residential cum Hotel Scheme”	“Full Residential Scheme”
Site Area	About 8,000m ²	About 8,000m ²
PR (about)	6.88	6.301
Domestic PR	4.67	5.608
Non-domestic PR	2.21	0.693
GFA (about)	54,974m ²	50,406m ²
Domestic GFA	37,330m ²	44,863m ²
Non-domestic GFA	17,644m ²	5,543m ²
<i>Hotel</i>	12,931m ²	/
<i>Commercial</i>	4,713m ²	5,543m ²
Site Coverage	Not more than 46%	Not more than 44%
No. of Units	831	758
No. of Flats	637	758
No. of Hotel Rooms	194	/
Average Unit Size (about)		
Residential Flat	58.6m ²	59.2m ²
Hotel Room	66.7m ²	/
Estimated Population (about)	2,013	2,396
BH at Main Roof	50mPD	47.28mPD
No. of Storeys	17 storeys (including 1 level of basement)	16 storeys (including 1 level of basement)

Development Parameters of the Indicative Schemes		
Scheme	“Residential cum Hotel Scheme”	“Full Residential Scheme”
Private Open Space	Not less than 2,013m ²	Not less than 2,396m ²
No. of Parking Spaces	92	100
Residential Parking Spaces	61	67
Visitor Parking Spaces	5	5
Retail/Commercial Parking Spaces	24	28
Hotel Parking Spaces	2	/
Motorcycle Parking Spaces	10	10 (Residential portion: 7 Commercial portion: 3)
Bicycle Parking Spaces	41	51
No. of Loading/Unloading Bay	11	6 (Residential portion: 1 Commercial portion: 5)
Taxi Spaces	2	/
Coach Spaces	1	/
Heavy Goods Vehicle Spaces	8	/

- 1.4 Regarding the “Residential cum Hotel Scheme”, physical segregation between residential and hotel uses will be provided in the form of separate entrances, lift lobbies and staircases to avoid any interface problems.
- 1.5 In support of the application, the applicant has submitted the following documents:
- (a) Application form received on 21.9.2020 **(Appendix I)**
 - (b) Supplementary planning statement with an indicative “Residential cum Hotel Scheme” including TIA, NIA and AQIA **(Appendix Ia)**
 - (c) Further Information (FI) received on 24.11.2020 enclosing an indicative “Full Residential Scheme”, TIA, NIA and AQIA and responses to departmental and public comments **(Appendix Ib)**
 - (d) FI received on 7.12.2020 providing clarifications for the proposed development and enclosing sewage discharge estimation **(Appendix Ic)**
 - (e) FI received on 10.2.2021 providing clarifications for the proposed development and responses to departmental and public comments **(Appendix Id)**

2. **Justifications from the Applicant**

The justifications put forth by the applicant in support of the application are detailed in the supplementary planning statement and FIs (**Appendices Ia to Id**). They can be summarized as follows:

Diminishing Need for Hotel Use in Ma On Shan

- (a) The Visitor and Tourism Study for Hong Kong (the Vistour Study), which was commissioned by Hong Kong Tourist Association and completed in 1995, has identified Sha Tin Valley as a new tourism node of sporting and leisure activities. According to the Vistour Study, the Government's initiative to introduce the "OU(Hotel)" zone was to address the forecasted shortage of hotel room and to complement the new tourism node in the Sha Tin Valley. There have been changes in tourism planning circumstances. Furthermore, whilst there has been a steady increase in the supply of hotel rooms in recent years as revealed by the statistics, given the limited land resources in Hong Kong, there is a need to strike a balance in land utilization to meet the competing demands for housing, which is now the top priority, amongst other uses. The proposed development will achieve more optimal and efficient use of land resources.

Changing Land Use Policies for Hotel Planning

- (b) Based on the report of the Hong Kong 2030: Planning Vision and Strategy (HK2030) released in 2007, flexibility should be allowed in land use zoning to allow the market to respond to the demand, rather than to identify particular sites for the hotel use. At present, apart from the zonings in which 'hotel' use is always permitted, 'hotel' use may also be permitted upon application to the Board in such zonings as "Comprehensive Development Area" ("CDA") zone, "Other Specified Uses" annotated "Business" ("OU(B)") zone, certain "Residential" zones, "Government, Institution or Community" ("G/IC") zone, "Recreation" ("REC") zone and some other "OU" zones. The town planning system has been ensuring flexibility for privately-initiated hotel developments in response to the changing tourism pattern and prevailing market, and specific zoning for hotel use is not preferred.

In line with Government's Policy for Increasing Housing Supply

- (c) The Government has adopted a multi-pronged approach to increase land supply in the short, medium and long term to address the problem of housing shortage and to meet the acute demand for affordable housing in Hong Kong. The Site, being located at the strategic location in Ma On Shan New Town, is a solution space for creating housing supply. The proposed development is anticipated to be completed by 2025 and will contribute to the provision of residential flats in the short term, and is in line with the Government's policy.

Land Use Compatibility and Accessibility

- (d) The Site is highly suitable for the proposed development with good accessibility as it is well served by various public transport modes along Sai Sha Road, and MTR Ma On Shan Station is only about 440m from the Site. The proposed development is also well served by the well-planned cycling track and the comprehensive footpath

and footbridge system. Surrounded by mainly residential development, open space and a number of G/IC facilities, the proposed development is considered compatible with the surrounding land uses.

No Increase in Plot Ratio and Building Height

- (e) The resultant PR, BH as well as the building bulk of the proposed development will remain unchanged under the “Residential cum Hotel Scheme” (**Drawings Z-1 to Z-9**) or will be reduced under the “Full Residential Scheme” (**Drawings Z-10 to Z-18**). A stepped BH profile can be maintained with lower development on the waterfront.

No Adverse Impact on Traffic and Environment

- (f) Various assessments including the traffic impact assessment (TIA), noise impact assessment (NIA) and air quality impact assessment (AQIA) have been conducted. The results reveal that the proposed development will not pose adverse traffic, noise and air quality impact to the surrounding area with the provision of mitigation measures.

Traffic Impact

- (g) Vehicular access to the Site is via the existing run-in and run-out at On Chun Street (**Plan Z-2**). The TIA conducted by the applicant for both the “Residential cum Hotel Scheme” and the “Full Residential Scheme” demonstrated that the proposed development will not induce adverse traffic impact on the surrounding road network. Under both indicative schemes, the three assessed junctions at On Chun Street / On Yuen Street, at On Yuen Street / Sai Sha Road and at Sai Sha Road / Hang Hong Street will operate satisfactorily in both reference and design scenarios. The future population of the proposed development will be similar to the existing maximum capacity of the hotel as the proposed flat number is comparable to or even less than the hotel room number. Hence, the future impact on the public transport services will be minimal.

Environmental Impact

- (h) The applicant has submitted a NIA to demonstrate the potential noise impact resulting from the proposed development under both the “Residential cum Hotel Scheme” and the “Full Residential Scheme”. According to the NIA for the two schemes, the road traffic from On Chun Street was identified as the dominant noise source. There is no significant fixed noise source surrounding the Site. Acoustic windows are proposed to address the road traffic noise concern.
- (i) According to the AQIA submitted by the applicant for both indicative schemes, the buffer distance requirements under the Hong Kong Planning Standards and Guidelines for vehicular and chimney emission are satisfied. No adverse air quality impact associated with the proposed development is anticipated during the operational phase. Besides, the proposed development will follow the dust control requirements as stipulated in the Air Pollution Control (Construction Dust) Regulation with relevant mitigation measures. No adverse air quality impact is anticipated during the construction phase.

- (j) The applicant has also submitted a sewage discharge estimation to demonstrate that the proposed residential development would result in a reduced sewage generation as compared to the existing hotel development at the Site.
- (k) For the potential impact during the construction stage, noise control measures as well as dust suppression measures and good site management will be implemented to mitigate the potential impacts. All construction works will be conducted in compliance with the relevant requirements of the Buildings Department (BD) and Environmental Protection Department (EPD). Further, as the proposed development would not lead to significant increase in traffic generation as compared with the existing hotel, noise and air quality nuisance will not be incurred during the operational stage as compared with the existing condition.

Concerns on Community Facilities

- (l) The “Full Residential Scheme” will lead to an increase of about 2,396 residents in Ma On Shan which will not trigger substantial new demand for community facilities.

Responses to Public Concerns

- (m) in response to the public’s concerns on the loss of local employment opportunities provided by the existing hotel, it is indicated that job opportunities associated with the proposed development, which includes residential use (such as property management staff) and commercial uses (such as shop and services and eating place uses), would still be available. Regarding the public’s concerns on the technical feasibility for wholesale or partial conversion, the proposed conversion is considered technically feasible and the building design of proposed development will follow strictly the relevant regulations at the detailed design stage. Further, with a population comparable to the existing maximum capacity of the hotel, significant increase in conflict of pedestrian/vehicular/bicycle traffic as concerned by public, is not anticipated.

Not Setting an Undesirable Precedent

- (n) The hotel at the Site is located outside urban areas and distant from traditional tourism nodes. In fact, the other test site identified in the Vistour Study at the junction of Yeung Uk Road and Ma Tau Pa Road, Tsuen Wan was also later rezoned to “CDA(7)” in 2013 to enable a comprehensive development comprising a mix of residential and commercial uses. Considering the special location of the Site in Ma On Shan, the proposed rezoning would not set an undesirable precedent for other similar applications.

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

The applicant is the sole “current land owner”. Detailed information would be deposited at the meeting for Members’ inspection.

4. **Background**

Vistour Study in 1995

- 4.1 According to the Vistour Study conducted in 1995, insufficient hotel rooms and other accommodation for the potential growth in visitor number was the major difficulty with tourism industry. The Study considered that Sha Tin, as a new tourism node, was strategically located to act as an intervening accommodation opportunity such as budget accommodation for visitors from mainland China. To meet the demand for hotels, the Study recommended to zone sites specifically for hotel development in suitable locations.
- 4.2 As a follow-up actions to the recommendations of the Vistour Study, two sites, one in Tsuen Wan and the other in Sha Tin, were identified by the Planning Department. For the site at the junction of Yeung Uk Road and Ma Tau Pa Road, it was rezoned from “C” to “OU(Hotel)” in 1996. After taking into account the market response and studying the feasibility of possible alternative uses, that site was subsequently rezoned to “Commercial/Residential” in 2001, and then rezoned to “C” in 2003 and “Undetermined” in 2012, until it was eventually rezoned to “CDA(7)” in 2013 to enable a comprehensive development comprising a mix of residential and commercial uses. Another site identified in Sha Tin is the one under the current rezoning application. The Site was rezoned from “G/IC” to “OU(Hotel)”. Restrictions on PR and BH were imposed on the Site to ensure compatibility with the surrounding environment. The hotel with 831 hotel rooms has been in operation since 2002.

Hotel Provision in Sha Tin District

- 4.3 Currently, there are six hotels in operation in Sha Tin District providing a total of 3,880 hotel rooms. A summary of these existing hotels is at **Appendix V**. Among the sites involved, the Site is the only one carrying the “OU(Hotel)” zoning. Before the Site was rezoned to “OU(Hotel)” in 1996, there were already two operating hotels respectively within “C” zone and “C/R” zone at Sha Tin Town Centre which can provide a total of 1,325 hotel rooms. After the operation of the hotel at the Site in 2002, three more hotels were completed in Sha Tin area which can provide a total of 1,724 hotel rooms. Amongst these three hotels, one hotel falls within “C” zone at Shek Mun, while the other two are subjects of planning applications for hotel use approved by the Board in “G/IC” zone near University Station and “I(1)” zone near City One Station respectively.

5. **Previous Application**

The Site is the subject of a previous application (No. Y/MOS/5), which was submitted by the same applicant for amending the Notes of “OU(Hotel)” zone to include ‘Flat (in conversion of an existing building only)’ as a Column 2 use. The application was subsequently withdrawn by the applicant on 14.10.2020.

6. **Similar Application**

There is no similar rezoning application on the Ma On Shan OZP.

7. **The Site and its Surrounding Areas (Plans Z-1 to Z-4)**

7.1 The Site is:

- (a) currently occupied by the Horizon Suite Hotel fronting the Tide Cove in the northwest;
- (b) bounded by On Chun Street to the southeast, a temporary open-air carpark to the southwest, the Ma On Shan Waterfront Promenade to the northwest and a sitting-out area to the northeast; and
- (c) accessible via On Chun Street.

7.2 The surrounding areas have the following characteristics:

- (a) to the northeast are some GIC facilities, namely Ma On Shan Swimming Pool, Ma On Shan Park, Ma On Shan Public Library, and Ma On Shan Sports Centre;
- (b) to the east and southeast across On Chun Street are the Hong Kong Taoist Association Shun Yeung Primary School and the Po Leung Kuk Riverain Primary School;
- (c) to the southeast across On Chun Street are residential developments, namely Marbella, The Waterside and Fok On Garden; and
- (d) to the west and northwest are the Ma On Shan Promenade and the Tide Cove.

8. **Planning Intention**

The planning intention of the “OU(Hotel)” zone is primarily to provide land for hotel use. According to the Notes for the “OU(Hotel)” zone, only ‘hotel’ use is permitted as of right. Other uses including ‘Eating Place’ and ‘Shop and Services’ are Column 2 uses requiring planning permission. ‘Flat’ use is neither a permitted use nor a use that may be permitted on application to the Board. Restrictions on PR and BH are also imposed to ensure compatibility of this waterfront site with the surrounding developments.

9. **Comments from Relevant Government Bureaux/Departments**

9.1 The following Government bureaux/departments have been consulted and their views on the application are summarized as follows:

Land Administration

9.1.1 Comments of the District Lands Officer/Shu Tin, Lands Department (DLO/ST, LandsD):

- (a) the existing hotel site at Sha Tin Town Lot No. 461 (the Lot) is governed by New Grant no. 13008 (the New Grant). Under the New Grant, the Lot shall be used for hotel purposes (the Hotel Purposes) only, save for the first three floors above the ground level which may be used for the purposes of bank, fast food shop, place of entertainment, private club and retail shop only (the Commercial Purposes). The Hotel Purposes shall not include service apartment purposes. Under the New Grant, the GFA allowed shall not exceed 56,000m², of which the GFA for the Commercial Purposes shall not exceed 16,000m² and the BH may not exceed the aggregate height of 50mPD. The New Grant just contains parking, loading and unloading requirements for the Hotel Purposes and the Commercial Purposes;
- (b) the development proposal with residential element and supporting commercial facilities as well as the provision of parking and loading/unloading spaces is not permitted under lease. If the Board approves the present application, the owner of the Lot is required to apply for a lease modification from LandsD to implement this proposal. However, there is no guarantee that the lease modification application will be approved; and
- (c) such application, if received, will be considered by LandsD acting in its capacity as the landlord at its sole discretion and any approval given will be subject to such terms and conditions including, inter alia, payment of premium and administrative fee as may be imposed by LandsD.

Traffic

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

- (a) he considers that the TIA report for both indicative schemes are generally in order from traffic engineering point of view; and
- (b) his detailed comments from traffic engineering point of view regarding the TIA are as follows:
 - (i) TIA shall be resubmitted at the lease modification stage in future if there is any modification to larger flat sizes to assess the traffic impact of the development in terms of trip generation and provision of car parking and loading/unloading, etc.;

- (ii) it is noted that the commercial parking spaces can be opened for public use and the applicant should approach LandsD for the arrangement; and
- (iii) it is noted the parking space have been provided as per the requirement of the Hong Kong Planning Standards and Guidelines (HKPSG). Given that a great demand for parking spaces in vicinity of the Site is observed, the applicant is advised to consider if more parking spaces can be provided in the proposed development.

Environment

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

- (a) it is noted that the “Residential cum Hotel Scheme” and the “Full Residential Scheme” proposed by the applicant are only for indicative purpose;
- (b) based on the AQIA, NIA and the sewage discharge estimation submitted by the Applicant in support of the application, he notes that no insurmountable environmental impact would be anticipated from the proposed development;
- (c) should the application be approved by the Board, the applicant or its representative will need to apply to DLO/ST, LandsD for lease modification. In view that the potential environmental impacts, in particular traffic and fixed noise impacts identified in the NIA, should be properly addressed and mitigated during the detailed design stage and an Sewerage Impact Assessment (SIA) would be required during the detailed design stage to cater for any potential change in development scheme, that may affect the potential generation of sewage, a mechanism to safeguard the environmental acceptability of the proposed redevelopment is necessary. As such, relevant lease conditions requiring for a Noise Impact Assessment (NIA) and SIA would be necessary; and
- (d) his detailed comments on the NIA is at **Appendix III** for the applicant’s information and future preparation of the NIA under lease condition, should the application be approved by the TPB.

Urban Design and Landscape

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

noting that there is no increase in the existing building bulk, she has no adverse comment on the proposed rezoning from the urban design and visual perspectives.

Tourism

9.1.5 Comments of the Commissioner for Tourism (C for Tourism):

- (a) for hotel supply, there were 84,089 hotel rooms in Hong Kong in 2019. During 2009 to 2018, the total number of hotel rooms rose by some 49%. However, the total number of overnight arrivals rose by an even higher 69% cumulatively, thus keeping the average hotel room occupancy rate at a rather high level of around 87%. In this first five months of 2019 (prior to local social incidents since June 2019), overnight arrivals continued to grow strongly by 8.9% year-on-year, and thus the average hotel room occupancy rate in the same period stood at a high level of 90%. The outbreak of COVID-19 has affected Hong Kong's tourism industry, leading to a fall in the overall and overnight visitor arrivals;
- (b) forecasts by United Nations World Tourism Organization showed that international tourism could recover to the levels of 2019 from mid-2023 to end-2024, whereas International Air Transport Association estimated that the global passenger traffic will return to pre-COVID-19 levels by 2024. Drawing reference from these forecasts, the tourism sector is expected to rebound in the medium term and would continue to exhibit a high demand for hotel rooms in Hong Kong in the long-run. It is necessary to consider if hotel specific zoning should be retained to ensure adequate supply of hotel rooms in the long run; and
- (c) that said, it is noted that there may be other demands for land in Hong Kong, such as housing needs. On this, there is a need to make a macro view and weigh among competing demands.

Building Matters

9.1.6 Comments of Chief Building Surveyor/New Territories East (2) and Rail, Buildings Department (CBS/NTE(2)&Rail, BD)

- (a) he has no comments under the Buildings Ordinance to the proposed rezoning;
- (b) compliance with regulations 20 and 21 of the Building (Planning) Regulations should be demonstrated;
- (c) as there would be an increase in the number of occupants in the building due to the proposed change in use, sufficient means of escape including the provision of exit staircase with adequate discharge value should be provided in accordance with the Code of Practice for Fire Safety in Buildings 2011; and
- (d) detailed comments under the BO will be given upon submission of building plans to the Buildings Department.

Fire Safety

9.1.7 Comments of Director of Fire Services (D of FS)

- (a) he has no objection in principle to the application subject to water supplies for firefighting and fire service installations being provided to the satisfaction of D of FS;
- (b) detailed fire safety requirements will be formulated upon receipt of formal submission of general building plans; and
- (c) the emergency vehicular access provision in the Site shall comply with the standard as stipulated in Section 6, Part D of the Code of Practice for Fire Safety in Buildings 2011 under the Building (Planning) Regulation 41D which is administered by BD.

Food and Environmental Hygiene

9.1.8 Comments of the Director of Food and Environmental Hygiene (D of FEHD):

- (a) if there is any catering services / activities proposed to be patronized by members the public, a suitable licence / permit should be obtained from Director of Food and Environmental Hygiene before the operation of such catering services / activities;
- (b) if the proposal involves any commercial/trading activities, no environmental nuisance should be generated to the surroundings. Also, for any waste generated from the commercial/trading activities, the applicant should handle on their own/ at their expenses; and
- (c) for the domestic waste collection, his detailed comments are at **Appendix III**.

Licensing

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

he has no particular view on the application. His advisory comments are at **Appendix III**.

District Officer's Comments

9.1.10 Comments of the District Officer/Sha Tin, Home Affairs Department (DO/ST, HAD):

he has no particular comment. Some of the locals might have concerns on the impacts of the proposed development from traffic and environmental point of view.

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

- (a) Commissioner of Police (C of P);
- (b) Chief Engineer/Mainland South, Drainage Services Department (CE/MS, DSD);
- (c) Chief Engineer/Construction, Water Supplies Department;
- (d) Project Manager/North, Civil Engineering and Development Department;
- (e) Chief Highway Engineer/New Territories East, Highways Department; and
- (f) Director of Electrical and Mechanical Services.

10. Public Comments Received During Statutory Publication Period

- 10.1 On 9.10.2020 and 11.12.2020, the application and FIs were published for public inspection. During the statutory public inspection periods, a total of 164 public comments were received. Of them, one providing views not relevant to the application, five support and the remaining 158 comments raise objection to the application.
- 10.2 For the five supporting comments from individuals, one support the application on the consideration that there is no such need for the existing hotel at the Site, while another commenter support the application on condition that there would be no increase in BH, and the existing restaurant in the hotel would remain open to the hotel guests and nearby residents. The other three supporting comments do not provide specific grounds.
- 10.3 The remaining 158 comments were received from the Sha Tin Rural Committee, residents of Marbella and individuals raising objection to/making adverse comments on the application. Amongst which, 88 comments are submitted by the residents of Marbella in standard format with additional comments. Samples of the public comments including the comments in standard format with additional comments are attached at **Appendix IV**. All the public comments received are deposited at the Secretariat for Members' inspection.
- 10.4 The major objecting views are summarised as follows:

Hotel Demand

- (a) the existing hotel is the only hotel in Ma On Shan to provide accommodation for tourists particularly those visiting Sai Kung and Sha Tin, university staffs, visiting scholars and overseas students, visiting family members and short-term stay of local residents. The current hotel occupancy is still high. The proposed development would greatly reduce the number of hotel rooms and affect the tourism industry;
- (b) the site should not be rezoned just because of the economic downturn for the moment. The impact of COVID-19 on the tourism in Hong Kong is a temporary factor;

Local Economy

- (c) complementing the scenic waterfront, the existing hotel is also the landmark of Ma On Shan, and can bring vibrancy and diversity. It can promote the local economy and create employment opportunities. The proposed development will result in unemployment of the existing hotel's staff;

Land Use Consideration

- (d) the Site area is not large which is not desirable for residential use. The existing hotel use is considered the most acceptable use balancing the need, the development potential, the financial benefit to the land owner and the impact on the surrounding areas;

Housing Supply

- (e) there are various choices of private housing units in Ma On Shan with sufficient future supply. The proposed development will only provide a small amount of housing unit and will lead to an increase in the residential property price;
- (f) as the lease modification for the proposed development would take several years to complete, the applicant's proposal cannot resolve the housing demand immediately;

Traffic Impact

- (g) the road and rail transport network of Ma On Shan has already been overloaded, with heavy traffic congestion at peak hours, especially for the transport link to Kowloon, such as Tate's Cairn Tunnel. The housing projects committed or under planning in Ma On Shan and Shap Sz Heung should also be taken into account;
- (h) the site is only accessible via On Chun Street, which is subject to serious illegal parking problem. The surrounding facilities and road design was initially planned taking into account the hotel use only. The large number of private cars as a result of the proposed residential use would overload On Chun Street. Furthermore, the Site is located next to a cycling track. The increased conflict of pedestrian and vehicular/bicycle traffic will pose threat on road safety;
- (i) the provision of parking spaces in Ma On Shan is highly insufficient, resulting in serious problem of illegal parking. It is doubtful if the parking ratio proposed for the residential portion can meet the requirement under HKPSG. The problem of illegal road-side parking along On Chun Street will be worsened as a result and this problem should be addressed first;

Environmental Impact

- (j) redevelopment of the existing hotel would generate noise and air pollution which will affect the nearby residents and students for several years during the construction stage. At the operational stage, the increased traffic flow and illegal parking will worsen the air and noise pollution at the locality;

G/IC Provision

- (k) the provision of public space, school place, community, healthcare, social welfare and recreational facilities in Ma On Shan cannot accommodate further increase in population, taking into account the committed developments in Wu Kai Sha and Shap Sz Heung;

Suitability for Conversion

- (l) the building design and structure of the existing hotel is not suitable for conversion into residential development. In particular, it is doubtful if the residential portion can be segregated from the remaining hotel portion, and whether they could be served by enough lifts. It is concerned if the management and maintenance responsibilities for the building and common area can be clearly addressed in future;

Transfer of Benefits

- (m) the proposed development will benefit the land owner, as the subject hotel site was purchased by the developer at low price but can now be used for residential purpose to make huge profit. It would be unfair to the other tenderers of the hotel site at that time;

Setting of Undesirable Precedent

- (n) considering that residential site has a higher value than hotel site, the proposed rezoning would attract similar applications from other owners of hotel/service apartments, industrial buildings and aged commercial buildings. Similar applications from hotels in sub-urban area may also be attracted should the application be agreed on the consideration of the diminishing demand for sub-urban hotel;

Proposals for Alternative Use of the Site

- (o) enjoying a commanding sea view, the Site should be redeveloped/ converted into Grade A office building to add vibrancy to the local economy and promote local employment opportunities, which can reduce the need to commute to the urban areas at the same time; and
- (p) alternatively, the site can be used for developing Government complex or public facilities of not more than 8 storeys.

11. Planning Considerations and Assessments

- 11.1 The applicant proposes to rezone the Site from “OU(Hotel)” to “R(A)12” to permit residential development at the Site subject to a maximum PR of 7 and a maximum BH of 50mPD. According to the indicative schemes provided by the applicant, assuming the residential development were to be delivered through partial or wholesale conversion of the existing hotel building at the Site, the rezoning can facilitate a residential cum hotel development with 637 residential flats and 194 hotel rooms or a residential development with 758 residential flats.

General Approach for Land Use Zoning permitting Hotels

- 11.2 As a follow-up action to the recommendations of the Vistour Study to zone sites specifically for hotel development at suitable locations, and considering that insufficient hotel rooms and other accommodation was the major difficulty with tourism industry at that time, the Site was rezoned from “G/IC” to “OU(Hotel)” in 1996 with the primary planning intention to provide land for hotel use. Since then, other than those hotels which link with major tourism developments like the Hong Kong Disneyland, it is the general practice of the Board to provide flexibility in land use zoning through Column 1 and Column 2 of the Notes to allow the market to respond to demand, rather than to identify particular sites for hotel use only under a specific “hotel” zoning. In fact, apart from the “OU(Hotel)” zoning to allow hotel development, the Notes of both Sha Tin and Ma On Shan New Town OZPs have built in the flexibility to provide ‘hotel’ use as always permitted within the “C” and “Commercial/Residential” (“C/R”) zones, and may be permitted upon application to the Board in “CDA”, “R(A)”, “G/IC”, “Industrial(1)” (“I(1)”), “OU(B)” and “REC” zones. Currently, there are six hotels in operation in Sha Tin and Ma On Shan areas, providing a total of 3,880 hotel rooms (**Appendix V**). As indicated in para. 4.3 above, apart from the existing hotel at the Site, three hotels were permitted as of right under the “C” and “C/R” zones in which they are located, while the other two are subjects of planning applications for hotel use approved by the Board in “G/IC” zone and “I(1)” zone respectively. In this regard, flexibility has been ensured in the OZPs to facilitate hotel development, which is primarily market-driven, under different zonings.
- 11.3 C for Tourism considers that the tourism sector is expected to rebound in the medium term and would continue to exhibit a high demand for hotel rooms in Hong Kong in the long-run in spite of the recent downturn. While adequate supply of hotel rooms in the long-run has to be ensured, C for Tourism also noted that there may be other demands for land in Hong Kong, such as housing needs, and there is a need to make a macro view and weigh among competing demands.

Land Use Compatibility

- 11.4 Fronting the Ma On Shan Promenade and the Tide Cove to the west and northwest, the Site is mainly surrounded by residential developments to the south, and various G/IC facilities and open space to the northeast, east and southeast across On Chun Street, namely Ma On Shan Swimming Pool, Ma On Shan Park, Ma On Shan Public Library, Ma On Shan Sports Centre and two primary schools. The Site is

well served by various public transport modes along Sai Sha Road and MTR Ma On Shan Station which is about 440m from the Site, as well as comprehensive pedestrian and cycling track network (**Plans Z-1 and Z-2**). The proposed residential use with supporting commercial facilities for the proposed “R(A)12” zone are not incompatible with the surrounding area, which is residential in character intermixed with G/IC uses and open space.

Development Intensity, Building Mass, Building Height and Visual Aspect

- 11.5 The proposed development restrictions of the “R(A)12” zone are the same as those under the existing “OU(Hotel)” zone. Noting that there is no increase in the existing building bulk, CTP/UD&L of PlanD has no adverse comment on the proposed rezoning from the urban design and visual perspectives. CBS/NTE(2)&Rail of BD has no comment on the application under the Buildings Ordinance.

Other Technical Aspects

- 11.6 In support of the two indicative schemes, the applicant has submitted reports on TIA, NIA, AQIA and sewage discharge estimation. Concerned Government departments, including C of P, C for T, DEP, CE/MS of DSD have been consulted in terms of the potential traffic, noise, air quality and sewerage impacts.
- 11.7 On the traffic aspect, the Site is well served by various public transport modes along Sai Sha Road and MTR Ma On Shan Station which is about 440m from the Site. Under the both indicative schemes, all the assessed junctions will operate satisfactorily in both reference and design scenarios. A total of 92 car parking spaces and 100 car parking spaces have been proposed under the “Residential cum Hotel Scheme” and “Full Residential Scheme” respectively. C for T considered that the TIA report for both indicative schemes are generally in order from traffic engineering point of view and confirmed that the parking space have been provided as per the requirement of the HKPSG. C for T also advised that the TIA shall be resubmitted in future if there is any modification resulting in larger flat sizes and provision of car parking and loading/unloading. C of P has no comment on the application.
- 11.8 On the environmental aspects, the NIA, AQIA and the sewage discharge estimation submitted by the applicant have indicated that the proposed development would not result in insurmountable environmental and sewerage impacts. Having reviewed both indicative schemes, DEP and CE/MS of DSD have no objection to the application respectively from the environmental and sewerage perspectives. Nevertheless, DEP indicated that the potential environmental impacts, in particular the traffic and fixed noise impacts identified in the NIA, should be properly addressed and mitigated during the detailed design stage, and a SIA would also be required during the detailed design stage to cater for any potential change in development scheme which has implications on sewage generation. As such, relevant lease conditions requiring the submission of NIA and SIA would be necessary.

Provision of G/IC Facilities

11.9 Under the “Full Residential Scheme”, the proposed development will lead to an increase of about 758 flats with an estimated population of about 2,396 in Ma On Shan Planning Scheme Area. The overall planned provision of open space and G/IC facilities will be generally adequate to serve the need of the existing and new population in Ma On Shan OZP. Irrespective of whether the Site is rezoned, there will be deficit in the provision of hospital beds, child care centre, community care services facilities and residential care homes for the elderly based on the planned population. Regarding the provision of hospital beds, it is assessed on a wider district basis and can be addressed by the provision in Sha Tin District. For the provision of residential care home for the elderly, community care services as well as child care centre, the standards on such provision in the HKPSG have been revised in December 2018 and March 2020 respectively. The updated HKPSG requirements for these facilities are a long-term goal. PlanD will work closely with SWD to ensure that additional GIC facilities will be included in new and redevelopment proposals where appropriate.

Public Comments

11.10 A total of 164 comments were received including five supporting comments, one comment providing views irrelevant to the application and 158 objecting comments. The government departments’ comments and planning assessments above are relevant. In response to the public’s concerns on the loss of local employment opportunities provided by the existing hotel, the applicant has indicated that job opportunities associated with the proposed development, which includes residential use (such as property management staff) and commercial uses (such as shop and services and eating place uses), would still be available.

12. Planning Department’s Views

12.1 Based on the assessment made in paragraph 11 above and having taken into account the local views conveyed by DO(ST), HAD and public comments mentioned in para. 9.1.10 and 10 above, the Planning Department has no in-principle objection to the application.

12.2 Should the Committee decide to agree/partially agree to the subject application the relevant proposed amendments to the Ma On Shan OZP, together with the revised Notes and Explanatory Statement, will be submitted to the Committee for approval prior to gazetting under section 5 of the Town Planning Ordinance upon reference back of the OZP.

12.3 Alternatively, should the Committee decide not to agree to the subject application, the following reason is suggested for Members' reference:

- The "Other Specified Uses" annotated "Hotel" zoning of the Site is considered appropriate to provide land to meet the demand for hotel uses. The proposed rezoning to "Residential (Group A) 12" with "Hotel" as a Column 2 use may result in reduction of hotel rooms. There is no strong planning justification for permitting residential development at this location.

13. Decision Sought

13.1 The Committee is invited to consider the application and decide whether to agree, partially agree, or not to agree to the application.

13.2 Should the Committee decide to partially agree / not to agree to the application, Members are invited to advise what reason(s) for the decision should be given to the applicant.

14. Attachments

Appendix I	Application form received on 21.9.2020
Appendix Ia	Supporting planning statement
Appendix Ib	Further Information received on 24.11.2020
Appendix Ic	Further Information received on 7.12.2020
Appendix Id	Further Information received on 10.2.2021
Appendix II	Proposed Notes of the "R(A)12" zone by the Applicant
Appendix III	Detailed departmental comments
Appendix IV	Samples of public comments
Appendix V	Existing hotels in Sha Tin District
Drawings Z-1 to Z-9	Architectural drawings of the "Residential cum Hotel Scheme"
Drawings Z-10 to Z-18	Architectural drawings of the "Full Residential Scheme"
Plan Z-1	Location plan
Plan Z-2	Site plan
Plan Z-3	Aerial photo
Plan Z-4	Site photo