

# GENERATION-ONE ADVISORY LIMITED

Our Ref. : S17\_A/K1/272

Your Ref. : TPB/A/K1/272

The Secretary,  
Town Planning Board,  
15/F, North Point Government Offices,  
333 Java Road,  
North Point, Hong Kong

**By Hand**

11 June 2026

Dear Sir,

## REVIEW OF PLANNING APPLICATION UNDER SECTION 17 OF THE TOWN PLANNING ORDINANCE

### **Proposed Minor Relaxation of Building Height and Plot Ratio Restrictions for Permitted Hotel Use at 16 Kimberly Road, Tsim Sha Tsui, Kowloon**

**(Section 16 Planning Application No. A/K1/272)**

On behalf of Far Union Investment Limited, the applicant, we write to make submission for the review of planning application under Section 17 of the Town Planning Ordinance in respect of the Section 16 planning application No. A/K1/272 for 'Proposed Minor Relaxation of Building Height and Plot Ratio Restrictions for Permitted Hotel Use' at 16 Kimberly Road, Tsim Sha Tsui, Kowloon.

Please find enclosed herewith the following documents for the consideration of the Town Planning Board:

- signed copies of the Letter of Authorisation; and
- a copy of the supporting statement.

Should you require more information regarding the application, please contact us at [REDACTED] at your convenience. Thank you for your kind attention.

Yours faithfully,

Generation-One Advisory Limited

  




**Far Union Investment Limited**

76/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong

10 June 2026

The Secretary, Town Planning Board  
15/F North Point Government Offices  
333 Java Road,  
North Point, HONG KONG

Dear Sir / Madam,

**SECTION 17 REVIEW APPLICATION  
TOWN PLANNING ORDINANCE (CHAPTER 131)**

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**Proposed Hotel with Minor Relaxation of Plot Ratio and Building Height Restrictions  
at 16 Kimberly Road, Tsim Sha Tsui, Kowloon**

**AUTHORIZATION LETTER**

We hereby appoint **Generation-One Advisory Limited** as the Planning Consultant and Authorised Agent to prepare and submit the above Review Planning Application to the Town Planning Board ("TPB") on our behalf. **Generation-One Advisory Limited** is hereby authorised to liaise, correspond and attend meetings with all relevant Government Departments and other bodies in the preparation for the Application.

Yours faithfully

FOR AND BEHALF OF  
Far Union Investment Limited

*For and on behalf of.*  
FAR UNION INVESTMENT LIMITED  
高遠投資有限公司

  
.....  
Authorized Signature(s)

(Mr. Albert Yiu)

(General Manager)

Certificate of Incorporation No. 1547927

To: The Secretary, Town Planning Board

**Review of Planning Application  
under Section 17 of the Town Planning Ordinance (Cap. 131)**

**LETTER OF AUTHORISATION**

**Applicant** : Far Union Investment Limited

**Certificate of Incorporation No.** : 1547927

**Authorised Agent** : Generation-One Advisory Limited

**Certificate of Incorporation No.** : 2967786

**Authorised Agent's Address** : [REDACTED]

**Authorised Agent's Contact** : Mr. NG ([REDACTED])

Far Union Investment Limited, the Applicant, hereby authorises Generation-One Advisory Limited, the Authorised Agent, to prepare, submit, and handle all liaisons and correspondances for the captioned application under Section 17 of the Town Planning Ordinance in respect of the Section 16 planning application No. A/K1/272 for '**Proposed Minor Relaxation of Building Height and Plot Ratio Restrictions for Permitted Hotel Use**' at 16 Kimberly Road, Tsim Sha Tsui, Kowloon.

For and on behalf of  
FAR UNION INVESTMENT LIMITED  
高遠投資有限公司

  
.....  
Authorized Signature(s)  
Applicant's Signature

  
  
Authorised Agent's Signature

11 June 2026

## Review of Planning Application under Section 17 of the Town Planning Ordinance

### Proposed Minor Relaxation of Plot Ratio and Building Height Restrictions for Permitted Hotel Use in “Commercial (6)” Zone, 16 Kimberley Road, Tsim Sha Tsui, Kowloon

(S.17 Review Application No. A/K1/272)

#### 1) Background

- 1.1 Generation-One Advisory Limited has been commissioned by Far Union Investment Limited, the Applicant, to make submission on their behalf to the Board under section (S.) 17 of the Town Planning Ordinance in respect to the review of decision for the S.16 planning application No. A/K1/272 at 16 Kimberley Road, Tsim Sha Tsui (TST), Kowloon (the Site).

#### Proposed development

- 1.2 The applicant submitted the S.16 planning application No. A/K1/272 to seek planning permission from the Town Planning Board (TPB) for minor relaxation of Plot Ratio (PR) restriction from 12 to 15 (i.e. +3 or +25%) and Building Height (BH) restriction from +110 mPD to +140 mPD (i.e. +30 m or +27.3% in terms of mPD) for a permitted hotel development at the Site in August 2025. The application involves of developing the Site to a 35-storey hotel with 159 guestrooms on the upper floors and ancillary uses (including restaurants, conference rooms and function rooms) on the lower floors (proposed development).
- 1.3 Technical assessments, including traffic impact assessment (TIA), visual impact assessment (VIA) and sewerage impact assessment (SIA) were submitted to demonstrate the technical feasibility of the proposed development. In terms of the visual impact, the VIA concluded that, with the implementation of the design measures (i.e. including (i) a 1.5 m-wide NBA along Kimberley Road per the OZP requirements; (ii) an additional 2.8 m-wide voluntary setback with 2.8m-wide canopy along Kimberley Road; and (iii) landscaping in the form of planters/greenery on G/F, 6/F, 8/F, 9/F, 11/F and 16/F and vertical greening on G/F), the proposed development would generally blend-in with the surrounding medium to high-rise developments, with anticipated visual impacts ranging from negligible to slightly adverse.

#### Planning Department’s (PlanD) recommendation and decision by the TPB

- 1.4 Based on PlanD’s planning considerations and assessments, and also having taken into account the public comments received during the public consultation period, it was recommended the decision of ‘no objection’ by PlanD to the Metro Planning Committee (MPC) of the TPB on 8 May 2026. However, after deliberation of the MPC, the application was rejected on grounds that *“the applicant has failed to demonstrate that there are sufficient planning and design merits to justify the proposed minor relaxation of PR and BH restrictions.”*

- 1.5 In response to the MPC’s decision, a letter informing the TPB for reviewing the decision on the application was submitted to the TPB on 22 May 2026.

**2) Supporting justification for review of MPC’s decision**

- 2.1 On behalf of the applicant, we courteously make submission for a review of the MPC’s decision on the application, which is justified based on its individual merits. The proposed “Hotel” use is, from statutory planning perspective, a Column 1 use and is always permitted within the “Commercial (6)” (“C(6)”) zone on the Approved TST Outline Zoning Plan (OZP) No. S/K1/30. Under the current application, the minor relaxation of the PR restriction from 12 to 15, as well as the restrictions on BH from +110 mPD to +140 mPD were sought to facilitate the development of a high-quality and modern hotel at the Site.

- 2.2 While acknowledging the MPC members’ reservations during the initial S.16 application, this application for review presents the fundamental planning justifications, strategic policy alignments, and enhanced site-specific design commitments that directly answer the previous decision in rejecting the application. This statement demonstrates that:

2.2.1 Justification One

The approval of the current application would set favourable precedent that would act as catalyst for redevelopment of the TST aging core.

2.2.2 Justification Two

Notable precedents in OZP amendments have exemplified the TPB’s demonstrated flexibility in relaxing PR and BH restrictions under appropriate circumstances.

2.2.3 Justification Three

The development delivers clear, proportional, and highly localised planning gains that directly fulfil the statutory preamble of the Town Planning Ordinance by enhancing the health, safety, convenience, and general welfare of the community;

2.2.4 Justification Four

The planning gains—removing long-standing anti-social activities, boosting tourism and vertical greening—are substantial and have been undervalued.

2.2.5 Justification Five

The proposed development aims to boost Hong Kong’s tourism capacity; these merits together provide strong justification for the minor relaxations.

### 3) **Justification One**

#### **The approval of the application would set favourable precedent that act as catalyst for redevelopment of the TST aging core**

- 3.1 The proposed hotel redevelopment mirrors the extreme density, urban decay, and low residual PR challenges addressed by the District Study for Yau Ma Tei and Mong Kok (YMDS). Extending these “planning-led, district-based” principles to TST is highly appropriate, as both areas form a continuous urban corridor under the Yau Tsim Mong district framework.
- 3.2 The project delivers essential design-led planning merits—such as setbacks, greening, and pedestrian enhancements—that act as a market catalyst for private sector-led urban renewal while directly advancing the Government's "Tourism is Everywhere" strategy. This chapter of the statement would further elaborate on how the approval of the proposed minor relaxation of PR and BH restrictions would be beneficial to the general public.

#### The District Study for Yau Ma Tei and Mong Kok

- 3.3 Positioned as a blueprint to enhance land efficiency while balancing redevelopment, rehabilitation, preservation and revitalisation, the Urban Renewal Authority (URA) initiated the YMDS in 2017 to address severe urban decay in a 212-hectare area with over 3,300 buildings in the Yau Ma Tei/Mong Kok (YMT/MK) areas<sup>1</sup>. Key challenges included high density (highest in Hong Kong at about 180 persons/ 1,000m<sup>2</sup>), aging building stock (65% ≥50 years old, projected 80% ≥70 years by 2047), limited residual PR (about 7%), and slow redevelopment momentum. The YMDS adopted a holistic, district-based approach, rather than a traditional project-based, and were presented to the Legislative Council (LegCo) Panel on Development and consulted with various stakeholders and professional institutes in 2021.

#### 3.4 Unified administrative and planning context

- 3.4.1 TST and YMT/MK constitute the single Yau Tsim Mong District. The YMDS was conducted within this district framework, recognising the integrated urban fabric of the Yau Tsim Mong District. Extending its principles to suitable sites in the TST area aligns with the Government's “planning-led, district-based” urban renewal strategy, which prioritises holistic solutions over rigid sub-district boundaries.

#### 3.5 Shared urban challenges and opportunities

- 3.5.1 The YMDS identified pervasive issues across the district, including extreme population density, extensive urban decay, low residual PR, and slow redevelopment. These challenges are equally evident in the Tsui Sha Tsui area. The Site, previously occupied by an aging building known as Champagne Court Block B, represents a prime opportunity for renewal, mirroring conditions addressed successfully through YMDS mechanisms in adjacent areas. Relaxed parameters tested in the YMDS Master Renewal Concept Plans (MRCPs), e.g. PR restrictions up

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<sup>1</sup> *Award Presentation Ceremony as the Finale for the “Urban Renewal Design Ideas Competition – The District Study for Yau Ma Tei and Mong Kok” Showcases Cross-disciplinary Professional Teams Creativity in Building a Livable City*

to 15 and BH restrictions up to +140 mPD in commercial nodes, would enable consistent land optimisation, particularly for the strips of land at prime locations along two sides of Nathan Road.

### 3.6 Functional and spatial continuity

3.6.1 The TST area is directly contiguous with the YMT/MK areas, linked by major corridors such as Nathan Road. Urban dynamics — including tourism demand, pedestrian flows, traffic, and air ventilation — transcend sub-district lines. The YMDS explicitly acknowledged synergies with the TST area such as the “West Kowloon Gateway” development node, which is expected to serve as an extension from West Kowloon and the TST area. Approval of the current application, incorporating voluntary planning gains such as enhanced pedestrian setback/canopy and greening, would support district-wide vibrancy and tourism capacity, consistent with policy objectives endorsed by the Commissioner for Tourism (C for Tourism).

### 3.7 Consistency with evolving statutory plans and broader policy

3.7.1 Recent amendments to the YMT OZP have incorporated YMDS recommendations, including removal or relaxation of PR restrictions within the “C” zones and increased BH limits. Given that the adjoining TST area operates under the same overarching planning framework among the Yau Tsim Mong District, the minor relaxations for hotel or commercial uses in the TST area, as proposed in the current application, are consistent with this evolving policy direction and the Hong Kong 2030+ emphasis on land optimisation in core urban areas.

### 3.8 Strong professional and stakeholder support for the district-based approach

3.8.1 The YMDS adopted a holistic, district-based approach, rather than a traditional project-based, and were put forward for consultations with the LegCo Panel on Development, other stakeholders such as the Yau Tsim Mong District Council (YTMDC)<sup>2</sup>, and various professional institutes including the Hong Kong Institute of Architects (HKIA), Hong Kong Institute of Surveyors (HKIS), Hong Kong Institute of Planners (HKIP)<sup>3</sup>, Real Estate Developers Association of Hong Kong (REDA), Hong Kong Institute of Urban Design (HKIUD) and Institution of Civil Engineers (ICEHK) in 2021.

3.8.2 Some LegCo members suggested that the Government and the URA shall coordinate the implementation of MRCPs and encourage greater participation of the private sector with a view to stepping up the urban renewal momentum<sup>4</sup>. With a view to incentivising more private market participation, the URA has been working closely with the Government in taking forwards OZP amendments and introducing new planning tools, such as the transfer of PR (transferring the residual PR of redevelopment projects in old districts for use in new development areas), the creation of Street Consolidation Areas (the amalgamation of small street blocks to

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<sup>2</sup> *Minutes of the 13th Meeting of the YTMDC (2020-2023)*

<sup>3</sup> *HKIP Position Paper on YMDS of URA*

<sup>4</sup> *Minutes of meeting held on 28.9.2021 - LegCo Panel on Development*

increase land utilisation rate), and the introduction of Gross Floor Area concession for innovative design, to unleash the development potential in the urban area<sup>5</sup>.

- 3.8.3 On the other hand, the majority of the consultees have broadly endorsed the YMDS's district-based methodology and supported the various MRCs and the new mechanisms therein, which should be applied to other districts to encourage private participations and speed up urban renewal<sup>6</sup>. The current application has demonstrated site-specific merits, such as pedestrian improvements, greening, and tourism facilities, which are fully in line with the public and professional expectations.

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<sup>5</sup> *LegCo Paper No. CB(1)1018/2024(05)*

<sup>6</sup> *TPB Paper No. 10795*

**4) Justification Two**

**Notable precedents in OZP amendments have exemplified the TPB’s demonstrated flexibility in relaxing PR and BH restrictions under appropriate circumstances**

4.1 The TPB has previously established powerful precedents for relaxing development parameters in dense urban zones: the amendment to the YMT OZP in 2024 removed the maximum PR restriction for "C" zones and increased the BH restriction from +110 mPD to +140 mPD, whilst the amendment to TST OZP in 2025 approved a drastic 100% BH restriction increase (i.e. from +45 mPD to +90 mPD) for the nearby main campus of the Hong Kong Polytechnic University (PolyU). Comparatively, the minor BH restriction from +110 mPD to +140 mPD sought for the proposed minor relaxation is far more modest, structurally consistent, and directly mirrored by 2 similar planning applications (Nos. A/I-TCTC/71A and A/YL/331) for minor relaxation for BH restriction, which the applications were approved by the TPB in 2026.

Amendment to the TST OZP in 2025<sup>7</sup>

4.1 In 2025, the Chief Executive in Council (CE in C), under S.9(1)(a) of the Town Planning Ordinance, approved the draft TST OZP No. S/K1/29, which was subsequently renumbered as No. S/K1/30. The amendment mainly involved of revising the BH restriction from +45 mPD to +90 mPD for the “Government, Institution or Community” (“G/IC”) zone currently occupied by the PolyU main campus. The 100% increase in BH was driven by PolyU’s strategic need to redevelop and expand its campus facilities to meet growing educational, research, and institutional demands.

4.2 PolyU is surrounded predominantly by comparatively low to medium-rise developments (significantly below 90 mPD) in parts of Hung Hom and TST. The proposed increase from +110 mPD to +140 mPD at the Site is proportionally less drastic than the uplift at PolyU (which doubled the permitted height). Although the Site is designated for permitted hotel use, it shares a similarly dense urban context with the PolyU main campus within the same OZP area. The substantial BH increase provided for the institutional use thereby represents a high-profile precedent demonstrating how significant relaxations can be substantiated for strategically important developments.

4.3 The TPB’s approval to increase the BH restriction from +45 mPD to +90 mPD for the “G/IC” zone occupied by the PolyU main campus has exemplified a pragmatic approach to facilitating strategic redevelopment. By analogy, the proposed increase of BH from +110 mPD to +140 mPD for permitted hotel use under the current application is consistent with this flexible stance and demonstrates sensitivity to comparable urban density and renewal dynamics within the same OZP area. If the Board has approved a doubling of BH in a relatively low-BH profile institutional context at PolyU main campus, the much more modest uplift sought for a hotel in a high-rise, commercially intense TST context is fully consistent with the Board’s previous decision.

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<sup>7</sup> TPB Paper No. 11004

#### Amendment to the YMT OZP in 2024<sup>8</sup>

4.4 In 2024, the CE in C, under S.9(1)(a) of the Town Planning Ordinance, approved the draft YMT OZP No. S/K2/25, which was subsequently renumbered as No. S/K2/26. The proposed amendment was mainly to take forward the recommendations of the YMDS, the TPB has demonstrated a consistent and principled approach in managing development parameters within dense urban areas, as exemplified by the following key amendments:

#### 4.5 Deletion of PR restriction for the “C” zones

4.5.1 The amendment involved the removal of the maximum PR restriction previously imposed on the “C” zones. The original PR cap of 12 was deleted, and developments within the “C” zones are now regulated under the *Building (Planning) Regulations*, which permit a maximum PR of 15 for non-domestic buildings. This amendment reflects a deliberate policy initiative aimed at enhancing development flexibility and enabling intensification within the “C” zones, thereby optimising land use efficiency and supporting sustained economic growth.

#### 4.6 Revision of BH restriction for the “C” zones

4.6.1 The BH restriction for the “C” zones along the eastern and western sides of Nathan Road was also amended from +110 mPD to +140 mPD. This substantial upward revision aligns BH limits with contemporary urban renewal and redevelopment objectives, facilitating larger-scale developments to meet anticipated future needs while contributing positively to the urban fabric.

4.7 In addition, TST and YMT/MK form a continuous central urban corridor along Nathan Road with similar accessibility, intensity and redevelopment needs. The Site is situated within an urban environment exhibiting development characteristics and challenges closely comparable to those of neighbouring districts such as the YMT/MK area. The recommendations of the YMDS provide a clear and deliberate planning approach to liberalise development parameters to facilitate urban regeneration.

4.8 In particular, the removal of the PR restriction from 12 to permit up to 15, alongside the increase in BH restriction from +110 mPD to +140 mPD as formalised in the YMT OZP amendment, provide substantive justification for the minor relaxations sought in the current application for permitted hotel use within the TST OZP. The similarity in the scale of BH increase and urban context provides a strong supporting precedent for the proposed relaxation sought under this review.

#### Similar approved planning applications for minor relaxation

4.9 Similar S.16 planning applications (Nos. A/I-TCTC/71A<sup>9</sup> and A/YL/331<sup>10</sup>) for similar ‘*minor relaxation of BH restriction*’ were recently approved by the Rural and New Town Planning

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<sup>8</sup> TPB Paper No. 10949

<sup>9</sup> RNTPC Paper No. A/I-TCTC/71A

<sup>10</sup> RNTPC Paper No. A/YL/331

Committee of the TPB in 2026. The approvals have provided further justification in comparing with the proposed minor relaxation of PR and BH restriction based on the followings:

- the approvals both involve of the redevelopment of vacant sites;
- the approvals both align with the government's policy initiatives, which are justified by urban renewal, design-led solutions, and community/public-realm benefits;
- the acceptance of comprehensive design measures, e.g. setbacks, landscape treatments, streetscape enhancements, as key planning merits; and
- a recognition that such approvals encourage similar redevelopment of vacant sites/aging buildings rather than set an “undesirable precedent”.

**5) Justification Three**

**The development delivers clear, proportional, and highly localised planning gains that directly fulfil the statutory preamble of the Town Planning Ordinance by enhancing the health, safety, convenience, and general welfare of the community.**

5.1 The Town Planning Ordinance clearly articulates its fundamental purpose as follows:

*“To promote the health, safety, convenience and general welfare of the community by making provision for the systematic preparation and approval of plans for the lay-out of areas of Hong Kong (as well as for the types of building suitable for erection in those areas) and for the preparation and approval of plans for areas within which permission is required for development, including making provision for the enforcement of this Ordinance and for related matters.”*

5.2 Enacted in 1939 amid rapid urbanisation, the Town Planning Ordinance was designed as a forward-looking statutory framework to facilitate beneficial redevelopment and improve the overall living environment in a land-scarce city. It was never intended to rigidly preserve the existing built form, particularly where such buildings generate negative impacts on the community.

5.3 The redevelopment proposal for Champagne Court Block B is strongly aligned with this statutory objective. For decades, Champagne Court carried a long-standing stigma of vice and crime, as well as regarded as a symbol of urban decay and social problems in the TST area. The building was labelled as a red-light district and crime hotspot, especially notorious for serious anti-social and illegal activities<sup>1112</sup>. In particular, a major police operation in March 2017 revealed that multiple vacant flats had been illegally occupied and converted by triads into one-woman brothels and drug dens<sup>13</sup>. According to reports, a large number of flats were subdivided into a total of 149 cubicles used for prostitution and drug-related activities, with weapons also found on site. Media coverage over the years has repeatedly highlighted the building’s association with vice activities, drug abuse, and related crimes, which have seriously undermined the reputation and attractiveness of the surrounding neighbourhood<sup>1415</sup>.

5.4 Importantly, PlanD has itself acknowledged in its latest comments that the removal of these undesirable tenants and associated activities from the previously problematic building constitutes a significant pre-filing planning gain, as their presence had negatively impacted the tourist area. Approving the proposed hotel development with minor relaxations of development parameters would permanently eradicate these long-standing nuisances by replacing the dilapidated structure with a modern, professionally managed hotel. This transformation directly advances the objectives of the Town Planning Ordinance by enhancing public health and safety, improving the physical urban layout, and

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<sup>11</sup> 黑幫佔單位 護衛遭「打番落樓」(Chinese version only)

<sup>12</sup> 四大部門劊房掃黃拘15人(Chinese version only)

<sup>13</sup> 香檳風去樓空黑幫控制室成廢墟(Chinese version only)

<sup>14</sup> 香檳大廈「一夜揚名」(Chinese version only)

<sup>15</sup> 「亮春婦はいません！」 查封十個月後 香檳大廈告示籬煙客止步(Chinese version only)

contributing positively to the convenience and general welfare of both local residents and the wider community in the TST area.

**6) Justification Four**

**The planning gains—removing long-standing anti-social activities, boosting tourism and vertical greening—are substantial and have been undervalued.**

- 6.1 The Site is rather small, with a gross site area of 1,141 m<sup>2</sup> (about), and is physically constrained by its narrow frontage onto Kimberley Road. These site limitations make it challenging to achieve a large-scale building footprint while maintaining a high standard in urban design. Notwithstanding these limitations, the proposal of the current application has demonstrated a strong commitment to improving the public realm by voluntarily proposing a 2.8 m-wide building setback in addition to the 1.5 m-wide non-building area as required under the OZP. Forming a combined pedestrian zone of approximately 4.3 m in width, further enhanced by a canopy. In the context of the highly congested urban environment in the TST area, where pedestrian walkways are often narrow and pedestrian comfort is limited, this setback represents a meaningful and practical improvement to the streetscape that will benefit both locals and tourists, as well as a favorable precedent to the surrounding areas.
- 6.2 In response to the concerns expressed by the MPC members regarding the proportionality of planning gains versus relaxations sought, it is respectfully submitted that the overall planning merits of the proposal of the current application have been undervalued. As acknowledged by the PlanD, substantial planning gains have been delivered through the complete removal of undesirable tenants and associated anti-social activities that had long blighted the tourist area; and significant economic contributions to the tourism industry. These contributions are particularly important in the current context.
- 6.3 In addition, the extent of vertical greening and landscaping on multiple building façades would also be significantly increased. This would improve the visual quality of the building, help mitigate the urban heat island effect, enhance local air quality, and contribute to a greener and more pleasant streetscape along Kimberley Road.
- 6.4 Collectively, the removal of long-standing social nuisances, the significant economic contributions to tourism industry, the streetscape improvements through the widened pedestrian zone, and the visual quality improvements by vertical greening demonstrate that the proposal of the current application delivers clear and proportionate planning gains. These merits, when taken together, are considered to provide strong justification for the minor relaxation of PR and BH restrictions.

**7) Justification Five**

**The proposed development aims to boost Hong Kong’s tourism capacity, these merits together provide strong justification for the minor relaxations.**

- 7.1 The proposed relaxations, i.e. increasing the PR from 12 to 15, i.e. the additional GFA of 3,426 m<sup>2</sup> (about) and the BH from 110 mPD (about) to 140 mPD (about) - are critical to the viability of the scheme under the current application. Without these relaxations, the number of hotel guestrooms would be substantially reduced from 159 to approximately 110 to 125 rooms: which is a loss of around 34 to 49 rooms. This would translate to a reduction in accommodation capacity of approximately 68 to 98 persons per night under normal occupancy, or up to 85 to 147 persons during peak season; whilst the scale of conference and function rooms would also be significantly scaled down simultaneously.
- 7.2 Such a reduction would have clear negative impacts on Hong Kong’s tourism industry. As of the end of February 2026, Hong Kong had 333 hotels providing a total of 93,481 rooms, with the number of rooms continuing to rise year on year. Nevertheless, the average hotel occupancy rate for the whole of 2025 reached approximately 87%, while during the Chinese New Year golden week in February 2026, occupancy rates generally reached 90%<sup>16</sup>. Such high occupancy levels clearly demonstrate the strong and persistent demand for hotel rooms, especially in prime locations such as the TST area.
- 7.3 The loss of 34 to 49 quality hotel rooms in the prime TST location would exacerbate the existing shortage of accommodation, limit the city’s capacity to accommodate high-yield overnight visitors, and undermine the Government’s policy of strengthening Hong Kong as Asia’s world city and a premier international tourism destination. This would also harm the overall image of Hong Kong as a vibrant, attractive, and well-prepared international tourist hub. Strong support from the C for Tourism for the current application further underscores the strategic importance of the project.
- 7.4 In addition, the proposed hotel directly supports the Government’s “Tourism is Everywhere” strategy by upgrading the physical environment and providing contemporary hotel accommodation at a tourism node. Improving the built environment and increasing hotel capacity in TST would strengthen the district’s role as a premier destination for residents and visitors and is consistent with the tourism and economic development strategies for the metropolitan area.

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<sup>16</sup> P.27, LegCo Official Record of Proceedings, 1 and 2 April 2026

## 8) Conclusion

8.1 To sum up, it is considered that the MPC's decision to reject the S.16 application on 8 May 2026 has not been able to properly evaluate the professional assessment from various Government departments, among which no objection or adverse comments were given. The decision has also overlooked the coherent policy and professional rationale for extending YMDS mechanisms to the Site, which situates at a prime location near Nathan Road and is seamlessly contiguous with the YMT/MK areas, the core planning justifications in support of the review are summarised as follows:

8.1.1 Catalyst for urban renewal - The project operationalises the strategic, “planning-led, district-based” principles established by the YMDS within the continuous urban fabric of the Yau Tsim Mong District corridor. It sets a vital precedent for private-sector market participation to reverse urban decay in the aging core of the TST area.

8.1.2 Statutory consistency and robust precedents - The proposed minor relaxations are consistent with the recent OZP amendments approved by the CE in C, notably the 2024 YMT OZP amendment - which removed maximum PR restriction for “C” zones and uplifted BH restriction to +140 mPD along Nathan Road; and the 2025 TST OZP amendment granting a 100% height increase to the nearby PolyU main campus. The proposal is further legitimised by identical BH restriction relaxations approved by the Board in 2026 under S.16 planning applications No. A/I-TCTC/71A and A/YL/331.

8.1.3 Fulfillment of realised planning merit - By permanently eradicating the long-standing socio-environmental blight, illegal subdivisions, and anti-social activities historically associated with Champagne Court, the development directly materialises the legislative preamble of the Town Planning Ordinance to enhance the health, safety, convenience, and general welfare of the community.

8.1.4 Proportional planning gains - Despite severe spatial and site configurations, the scheme delivers clear, highly localised planning merits. These include a voluntary, combined 4.3 m-wide sheltered pedestrian zone along a highly congested segment of Kimberley Road and extensive vertical greening to combat the urban heat island effect.

8.1.5 Optimization of Strategic Tourism Capacity - Retaining the baseline restrictions would trigger a critical structural deficit of about 34 to 49 guestrooms, severely dampening Hong Kong's hospitality infrastructure. In contrast, the relaxed parameters optimise land-use efficiency and directly support the Government's macro-economic “Tourism is Everywhere” strategy, a position robustly endorsed by the C for Tourism.

8.2 For the justifications illustrated above, the application represents an optimal planning opportunity to advance Hong Kong's tourism infrastructure and urban renewal mandates

on a prominent, vacant site in the heart of the city. By extending the validated planning principles of the YMDS to this identical TST pocket, the development will help stimulate private sector-led renewal in the area as well.

- 8.3 In consideration of the expanded planning merits, direct alignments with the legislative intent of the Town Planning Ordinance, similar planning circumstances in the proximity, and robust design undertakings proposed, the TPB is respectfully invited to review the MPC's decision and approve the application. This would advance consistent, sustainable urban renewal across the Yau Tsim Mong District.

**Generation-One Advisory Limited**

**June 2026**