

APPLICATION FOR PERMISSION
UNDER SECTION 16 OF THE TOWN PLANNING ORDINANCE

APPLICATION NO. A/KC/502

- Applicant** : Speedy Data Limited represented by Knight Frank Petty Limited
- Site** : Cargo Consolidation Complex, 43 Container Port Road, Kwai Chung
- Site Area** : About 2,655.6m²
- Lease** : Kwai Chung Town Lot (KCTL) No. 340
(a) to expire on 30.6.2047
(b) restricted to cargo consolidation and godown purposes excluding offensive trade
(c) maximum permissible plot ratio (PR) of 9.5 for building height (BH) exceeding 135ft
(d) spaces shall be provided for the parking and loading/unloading (L/UL) in accordance with the requirements specified under the lease conditions (see paragraph 8.1.2(a) for details)
- Plan** : Draft Kwai Chung Outline Zoning Plan (OZP) No. S/KC/31
- Zoning** : “Industrial” (“I”)
(a) maximum PR of 9.5
(b) maximum BH of 90 metres above Principal Datum (mPD)
- Application** : Proposed Minor Relaxation of PR Restriction for Permitted ‘Information Technology and Telecommunications Industries (Data Centre)’ Use

1. The Proposal

- 1.1 The applicant seeks planning permission for minor relaxation of PR restriction from 9.5 to about 10.263 arising from the proposed conversion of G/F and 1/F of an existing 16-storey industrial building (IB) (the Premises) at 43 Container Port Road (the Site) for permitted ‘Information Technology and Telecommunications Industries (Data Centre)’ (‘IT&TI (Data Centre)’ use, with no increase in the overall bulk and BH of the subject IB (**Plan A-1**). The Site is zoned “I” on the draft Kwai Chung OZP No. S/KC/31 and subject to maximum PR and BH restrictions of 9.5 and 90mPD respectively. According to the Notes for “I” zone of the OZP, ‘IT&TI’ use is a Column 1 use, which is always permitted. Minor relaxation of the PR restriction may be considered by the Town Planning Board (the Board) on application under section 16 of the Town Planning Ordinance (the Ordinance).

- 1.2 The Site is the subject of a previous application No. A/KC/454 submitted by another applicant with different scheme layout for proposed minor relaxation of PR restriction to 10.269 also involving the conversion of the Premises for permitted 'IT&TI (Data Centre)' use (**Plan A-1, Appendices II and IV**). The application was approved with conditions by the Metro Planning Committee (the Committee) on 1.2.2019. The planning permission was not implemented and subsequently expired on 1.2.2023.
- 1.3 According to the applicant, who is the sole owner of the Site, the upper floors of the subject IB have already been converted for data centre use. The demand on the ancillary parking cum L/UL facilities at G/F and 1/F for logistic purpose has become low. The applicant proposes to reconfigure the layout of G/F and 1/F to accommodate the proposed data centre facilities, including 24-hour network servers, ancillary computer equipment, emergency power supplies and ancillary utilities etc. at 1/F while the ancillary utilities/installations (e.g. transformer and switch rooms) of the building and the required parking and L/UL spaces will be provided at G/F and the remaining space on 1/F through alterations and additions (A&A) works (**Drawings A-1 and A-2**). The proposed parking and L/UL provisions have followed the Hong Kong Planning Standards and Guidelines (HKPSG) and Transport Department (TD) Circular No. 6/2012 on 'Standard for Goods Vehicle Parking and Loading/Unloading for Data Centres'. Upon conversion, the gross floor area (GFA) of the Site will be increased by about 2,033m² resulting in a total GFA of about 27,255.7m² and a PR of about 10.263, which exceeds the maximum PR of 9.5 under the OZP by about 0.763 (i.e. an increase of about 8%). There are no changes to the existing building height (i.e. 84.02m) and the ingress/egress at Container Port Road as the proposal involves only conversion of G/F and 1/F of the existing IB. The proposal will achieve a more efficient use of floor space by adopting double-deck parking racks and replacing underutilised lorry/LGV and container/HGV spaces with private car, light van and motorcycle spaces. A comparison of the major development parameters of the existing situation and the current application is set out as below:

Development Parameters	Existing Development (a)	Current Application (b)	Difference (b) - (a)
Site Area (About)	2,655.6m ²		No change
Total GFA (About)	25,222.7m ²	27,255.7m ²	+2,033m ²
– Existing GFA	25,222.7m ²	25,222.7m ²	(+8.1%)
– Additional countable GFA after conversion			
● G/F	N/A	178m ²	
● 1/F	N/A	1,855m ²	
		(Total 2,033m ²)	
PR (About)	9.498	10.263	+0.765 (+8.1%)
Building Height (About)	84.02m		No change
No. of Storeys	16		No change
Site Coverage	100%		No change

Parking and L/UL Facilities			
Types ¹			
– Private Car / Light Van	5*	23* [#]	+18
– Motorcycle	0	2	+2
– Lorry / LGV	10	4	-6
– Container / HGV	6	3	-3

* Includes 1 accessible space

[#] Includes 6 private car spaces by 3 sets of double-deck parking rack

1.4 In support of the application, the applicant has submitted the following documents:

- (a) Application Form received on 3.5.2023 (Appendix I)
- (b) Supporting Planning Statement (SPS) received on 3.5.2023 (Appendix Ia)
- (c) Further Information (FI) received on 16.6.2023* (Appendix Ib)
- (d) FI received on 13.7.2023[#] (Appendix Ic)
- (e) FI received on 8.8.2023[#] (Appendix Id)

Remarks:

* Accepted but not exempted from publication and recounting requirements

[#] Accepted and exempted from publication and recounting requirements

2. **Justifications from the Applicant**

The justifications put forth by the applicant in support of the application are detailed in the SPS and FI at **Appendices Ia to Id** which are summarised as follows:

- (a) The proposal could contribute to the Government's policy on boosting the development of innovation and technology industry. With the robust growth in cloud computing, artificial intelligence and big data analytics, Hong Kong has a strong demand for data centres in recent years. The proposed conversion would further support the growth of digital business in Hong Kong.
- (b) The proposal is in line with the planning intention of the "I" zone. As the upper floors of the IB have already been converted mainly for the permitted data centre use, the proposal is considered compatible with the current main use of the IB.
- (c) The concerned G/F and 1/F are under-utilised due to low parking and logistics demand as the upper floors of the IB have already been converted mainly for data centre. The proposal would utilise the land resources effectively by providing additional data centre facilities in the building and can utilise the current telecommunications networks in a more effective way.
- (d) The Site is subject to a previously approved application No. A/KC/454 by another applicant for the same use. Compared with the previous approved scheme (i.e. PR of 10.269), the current proposed PR is lower (i.e. 10.263). The proposed relaxation of PR restriction is considered minor in nature and would not result in any increase in the overall development bulk and building height.

¹ Dimensions of parking and L/UL spaces for different types of vehicles: Private Car/Light Van: 5m (L) x 2.5m (W) (for accessible space: 5m (L) x 3.5m (W)); Motorcycle: 2.4m (L) x 1m (W); LGV: 7m (L) x 3.5m (W); Lorry: 7.65m (L) x 2.5m (W); HGV: 11m (L) x 3.5m (W); Container: 15m (L) x 3.1m (W)

- (e) The IB is located at the southern fringe of Kwai Chung industrial area. The proposed conversion is non-polluting in nature and would not generate adverse air, noise, odour or visual impact or other nuisances to the IB and the surrounding areas.
- (f) No additional traffic would be generated by the proposal and no adverse traffic or pedestrian impact is anticipated. The proposed parking and L/UL provisions comply with HKPSG and relevant TD circular.

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. **Previous Application**

The Site is the subject of a previous application No. A/KC/454 submitted by another applicant with different scheme layout for proposed minor relaxation of PR restriction to 10.269 involving the conversion of the Premises for permitted ‘IT&TI (Data Centre)’ use (**Appendix II**). The application was approved with conditions by the Metro Planning Committee (the Committee) of the Board on 1.2.2019 mainly on the grounds that the proposed data centre was in line with the planning intention of the “I” zone; it was not incompatible with the surrounding uses; it would facilitate the development of data centre use in Hong Kong; and no significant adverse impacts on environmental, sewerage, drainage, visual, infrastructural and fire safety impacts were anticipated. A comparison of the previous and current applications is in **Appendix IV, Drawings A-3 and A-4**. The planning permission was not implemented and subsequently expired on 1.2.2023.

5. **Similar Applications**

Since 2020, there are eight similar applications involving proposed minor relaxation of PR restriction within the “I” zone on the Kwai Chung OZP, all of which were approved with conditions by the Committee (**Plan A-1 and Appendix III**). Amongst them, one application (Application No. A/KC/488) was for wholesale conversion of an existing IB for ‘IT&TI (Data Centre)’ use, and it was approved with conditions on 15.7.2022 mainly on the grounds that the proposal was in line with planning intention; it could fulfil the growing demand of data centres; it was not incompatible with the surrounding environment; there was no increase in the overall bulk and scale of the building; and no adverse impacts were anticipated.

6. **The Site and Its Surrounding Areas** (Plans A-1 and A-2; site photos on Plans A-3 and A-4)

6.1 The Site is:

- (a) occupied by the existing 16-storey IB, namely Cargo Consolidation Complex, and located at the southern fringe of Kwai Chung industrial area bounded by Container Port Road, Kwai Tai Road and Kwai Hong Street. The building is accessible via Container Port Road at its southeastern boundary; and
- (b) The current uses of the building are summarised as follows:

Floor	Current Uses
15/F	Technical support staff room and ancillary meeting rooms
14/F	Data hall
13/F	Plant room
11/F and 12/F	Data hall
10/F	Plant room
2/F to 9/F	Data hall
G/F and 1/F	Carpark and L/UL area

6.2 The surrounding areas have the following characteristics (**Plan A-2**):

- (a) situated within a cluster of industrial, commercial and logistics developments. To the immediate west and northwest are industrial and godown buildings including Kerry Warehouse (Kwai Chung) and Golden Industrial Building. To the immediate north is Ha Kwai Chung Electricity Sub-station and Kwai Shun Industrial Centre. To the immediate northeast is an Industrial-Office building namely Ever Gain Plaza;
- (b) to the immediate southeast is a temporary open-air carpark;
- (c) to the immediate south and southwest are the flyovers of Tsing Kwai Highway and elevated railways for Airport Express and Tung Chung Line; and
- (d) to its further south is Kwai Chung Container Terminal.

7. **Planning Intention**

- 7.1 The planning intention of the “I” zone is primarily for general industrial uses to ensure an adequate supply of industrial floor space to meet demand from production-oriented industries. IT&TI, office related to industrial use, and selected uses akin to industrial production and would not compromise building and fire safety are also always permitted in this zone.
- 7.2 As stated in the Explanatory Statement of the OZP, provision of industrial land in Kwai Chung has been made in conjunction with the industrial land planned for Tsuen Wan and Tsing Yi to ensure that sufficient industrial land is reserved to provide employment opportunities for the labour force of Tsuen Wan New Town as a whole.

8. Comments from Relevant Government Departments

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

Innovation and Technology

8.1.1 Comments of the Office of the Government Chief Information Officer (OGCIO):

- (a) data centres are critical information and communication technologies infrastructure for development of digital economy and smart city in Hong Kong. The Government has been committed to promoting Hong Kong as the prime location for data centres in the Asia-Pacific Region. The proposed minor relaxation of PR would make available more data centre floor space. Subject to the approval of the relaxation of PR, the proposed conversion of G/F and 1/F of the concerned building would contribute to addressing the growing demand for high-tier data centres in Hong Kong and benefit the innovation and technology sector development at large.

Land Administration

8.1.2 Comments of the District Lands Officer/Tsuen Wan & Kwai Tsing, Lands Department (DLO/TW&KT, LandsD):

- (a) the Site falls within KCTL No. 340 (the Lot), which shall be used for cargo consolidation and godown purposes excluding offensive trade. The Lot is subject to a schedule of maximum permissible PR and site coverage corresponding to the BH, and the maximum permissible PR is 9.5 for BH exceeding 135ft. Spaces shall be provided for the parking and L/UL of 5 private cars/light vans, 10 lorries and 6 containers on trailers with prime movers at specified sizes. The Lot is subject to two waivers dated 25.9.2013 and 30.11.2018 to permit data centre use on various floors of the existing building (other than the premises under application) erected on the Lot for the lifetime of the existing building or until expiry or termination of the lease, whichever is the earlier;
- (b) the proposed additional GFA of about 2,033m² for data centre use, and the proposed 28 parking spaces and 4 L/UL spaces are in breach of the provisions under the lease. If planning approval is given to the subject application, the owner of the Lot should apply for a lease modification from LandsD prior to its implementation of the proposed conversion. Upon receipt of the application, it will be considered by LandsD acting in the capacity as the landlord at its sole discretion. There is no guarantee that any application will be approved;

- (c) LandsD reserves comment on the proposed schematic design which would only be examined in detail during the building plan submission stage upon completion of the lease modification. There is no guarantee that the schematic design presented in the subject application will be acceptable under lease if it is so reflected in future building plan submission(s); and
- (d) detailed comments are at **Appendix V**.

Traffic

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

- (a) the Traffic Impact Assessment illustrated that the traffic impact arising from the subject minor relaxation of PR to the adjacent road network within the Area of Influence would be acceptable. Based on the above, C for T has no in-principle objection to the application from traffic engineering perspective; and
- (b) should the application be approved, the following approval condition is suggested:

the design and provision of vehicular access and car parking and L/UL facilities for the subject building to the satisfaction of the C for T or of the Board.

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

- (a) Chief Building Surveyor/New Territories West, Buildings Department (CBS/NTW, BD);
- (b) Chief Highway Engineer/NT West, Highways Department (CHE/NTW, HyD);
- (c) Director General of Trade and Industry (DG of TI);
- (d) Director of Environmental Protection (DEP);
- (e) Director of Fire Services (D of FS);
- (f) Commissioner of Police (C of P);
- (g) Chief Engineer/Construction, Water Supplies Department (CE/C, WSD);
- (h) Chief Engineer/Mainland South, Drainage Services Department (CE/MS, DSD);
- (i) Chief Architect/Advisory and Statutory Compliance Division, Architectural Services Department (CA/ASC, ArchSD);
- (j) Project Manager/New Territories West, Civil Engineering and Development Department (PM/NTW, CEDD); and
- (k) District Officer (Kwai Tsing), Home Affairs Department (DO(K&T), HAD).

9. Public Comments Received During Statutory Publication Period

During the statutory public inspection periods, no public comment on the application was received.

10. Planning Considerations and Assessments

10.1 The Site is located at the southern fringe of Kwai Chung industrial area and is mainly surrounded by a mix of industrial, logistics, commercial and warehouse uses. It falls within an area zoned “I”, which is intended for general industrial uses to ensure an adequate supply of industrial floor space to meet demand from production-oriented industries. Except G/F and 1/F which is currently used for ancillary parking and L/UL purposes, the remaining upper floors of the concerned IB have been converted for permitted data centre purpose with approved general building plans and waivers. The application is for minor relaxation of PR restriction from 9.5 to about 10.263 (i.e. +0.763 or 8%) to facilitate the proposed conversion of the surplus parking and L/UL facilities on G/F and 1/F into the permitted ‘IT&TI’ (Data Centre)’ use through A&A works. The proposal is considered in line with the planning intention of the “I” zone and not incompatible with the current uses in the IB and the surrounding uses.

Policy Aspect

10.2 Data centres are critical information and communication technologies infrastructure for development of digital economy and smart city in Hong Kong. The Government has been committed to promoting Hong Kong as the prime location for data centres in the Asia-Pacific Region. OGCIO advises that the proposal would contribute to addressing the growing demand for high-tier data centres in Hong Kong and benefit the innovation and technology sector development at large. DG of TI has no comment on the proposal in respect of the industrial land supply.

Relaxation of PR Restriction

10.3 The proposal mainly involves conversion of surplus ancillary car parking and L/UL facilities on G/F and 1/F through A&A works to the permitted data centre use. Sufficient car parking and L/UL facilities will be provided to meet the HKPSG requirements and TD has no objection. The increase of PR of 0.763 (about 8%) is considered minor in nature, in particular that there is no increase in the overall bulk and BH of the existing IB. While the proposal is considered a better utilisation of floor spaces in the existing building with more provision of data centre floor areas as advised by OGCIO, the proposed minor relaxation of PR restriction is considered not unacceptable.

Lifetime of Existing Building

10.4 Should the Committee decide to approve the application, the approval would be for lifetime of the existing building only. Upon redevelopment, the Site would need

to conform with the zoning and development restriction on the OZP in force at the time of redevelopment which may not be the same as those of the existing building. An advisory clause at **Appendix VI** is recommended in this regard.

Technical Aspects

- 10.5 The minor relaxation of PR restriction for the proposed conversion will not cause any significant adverse traffic, environmental, sewerage, drainage, visual, infrastructural and fire safety impacts on the IB itself and its surrounding areas. The proposed data centre use will generally induce less environmental and traffic impacts as compared with other industrial uses. Concerned Government departments consulted including C for T, DEP, CE/MS, DSD and D of FS do not have objection to/adverse comment on the application from traffic, environmental, infrastructure and fire services perspectives.

Previous and Similar Applications

- 10.6 The Committee approved the previous and similar applications mainly on the grounds that the proposed data centre use was in line with the planning intention of the “I” zone; had no increase in the overall bulk and scale of the building; was not incompatible with the surrounding uses; would facilitate the development of data centre; and had no anticipated adverse technical impacts. Approval of the current application is consistent with the previous decisions of the Committee.

11. Planning Department’s Views

- 11.1 Based on the assessments made in paragraph 10 above, the Planning Department has no objection to the application.
- 11.2 Should the Committee decide to approve the application, it is suggested that the permission shall be valid until 11.8.2027, 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 condition of approval and advisory clauses are suggested for Members’ reference.

Approval Condition

the design and provision of vehicular access and car parking and loading/unloading facilities for the subject building to the satisfaction of the Commissioner for Transport or of the Town Planning Board.

Advisory Clauses

The recommended advisory clauses at **Appendix VI** are suggested for Members’ reference.

- 11.3 There is no strong reason to recommend rejection of the application.

12. Decision Sought

- 12.1 The Committee is invited to consider the application and decide whether to grant or to refuse to grant permission.
- 12.2 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.
- 12.3 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.

13. Attachments

Appendix I	Application Form received on 3.5.2023
Appendix Ia	SPS received on 3.5.2023
Appendix Ib	FI received on 16.6.2023
Appendix Ic	FI received on 13.7.2023
Appendix Id	FI received on 8.8.2023
Appendix II	Previous Application
Appendix III	Similar Applications
Appendix IV	Comparison of Major Development Parameters between Previous Application and the Current Application
Appendix V	Detailed Department Comments
Appendix VI	Recommended Advisory Clauses
Drawings A-1 and A-2	Comparison of existing and proposed layout plans on G/F and 1/F
Drawings A-3 and A-4	Comparison of proposed layout plans on G/F and 1/F under previous application A/KC/454 and the current application
Plan A-1	Location Plan
Plan A-2	Site Plan
Plans A-3 to A-6	Site Photos

**PLANNING DEPARTMENT
AUGUST 2023**