TASK FORCE ON LAND SUPPLY

Vacant Government Sites and Sites under Short Term Tenancy and Temporary Government Land Allocation

PURPOSE

This paper briefs Members on the current arrangements for handling vacant government sites and putting them to use through short term tenancy (STT) and temporary government land allocation (TGLA), to facilitate discussion by Members on the exploration of such sites as a potential source of land supply.

LAND USE PLANNING AND LAND RESOURCE ALLOCATION

- 2. Land, especially land available for development (developable land), is a scarce resource in Hong Kong. The Government optimises the use of available land resources through the framework of land use planning and land development to meet the needs of the society. Broadly speaking, the planning regime specifies and governs the planning intention and permissible uses of available land, specifically land use zonings under statutory plans. Roads and other infrastructure are provided to support the developments envisaged in the plan. Where necessary, sites are formed through public works to ready them for development. For new development areas, usually this process is undertaken through a comprehensive planning and engineering study. For existing built-up areas, land use review in planning terms may also re-designate sites for change in uses.
- 3. Sites in development zonings (e.g. Residential, Commercial, Industrial, Other Specified Uses annotated "Business" ("OU(B)"), Government, Community or Institutional ("G/IC"), Open Space ("O"), etc.) ready for development are allocated for different uses by way of permanent developments

(i.e. expected to last for at least the useful life of their buildings or facilities) according to their planning by various means. Generally speaking, sites are disposed through land grant for permanent development by the private sector (e.g. private housing, private office, industrial, utilities, etc.), and through Government Land Allocations for permanent development by government departments (e.g. infrastructure, schools, hospitals, welfare facilities, parks and leisure facilities, libraries, sports facilities, etc.). In some cases, sites are made available to some public bodies by way of STTs for works prior to land grant or vesting (e.g. the Airport Three-Runway System, public housing sites, railway developments, etc.).

VACANT GOVERNMENT SITES

- 4. There are instances where sites in development zones are ready for development, but the permanent developments according to planning are not yet ready for immediate implementation (e.g. due to service plan, demand, funding, or other reasons), or sites are kept as reserve for future uses (mainly for G/IC uses). The Government would normally endeavour to put such available sites "in transition" into temporary or short-term gainful uses as far as possible, so as to avoid leaving the sites idle and make the best use of available land resource. As a general rule, such temporary or short-term uses should not prejudice permanent development or long-term use according to the planning¹. Such sites would be made available for temporary or short-term uses usually by way of STTs (for private entities) or TGLAs (for government departments).
- Meanwhile, there are also sites or land in development zonings but which could not be separately disposed, in non-development zonings (e.g. Green Belt) not intended for development, or in areas not covered by any planning or where planning process is underway, and for which there is currently no planned or alternative use. Some vacant sites may also arise from clearance of illegal occupation of government land after enforcement actions. Such sites may be sought after by government departments or private individuals for various temporary or short-term uses or purposes other than permanent development. Subject to any established criteria and arrangements

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¹ In general, subject to the provisions of the relevant statutory plans and zonings, temporary or short-term uses may be allowed up to 5 years in urban and new town areas without having to comply with the uses permissible under the relevant zoning, but temporary or short-term uses in rural areas would normally either have to be compatible with the relevant zoning or require planning permission from the Town Planning Board.

applicable, such sites may also be made available for suitable temporary or short-term uses or other purposes through STTs or TGLAs. It should, however, be noted that such sites or land would not normally be considered suitable or available for development.

6. In general, any land that is not disposed for private development (by land grant or STTs), not allocated for government uses (by GLAs or TGLAs), or not managed by government departments (e.g. country parks and public roads) is considered unleased and unallocated government land (UUGL). Apart from vast tracts of UUGL located on the hillsides between the built-up areas and the country parks, many piecemeal pockets of such UUGL exist within various land use zonings, either in built-up areas as gaps between disposed or allocated development sites and other government or public facilities, or in rural areas as gaps between village houses, private farmland, brownfields, etc.² Such land would not normally be considered suitable or available for development (due to their physical conditions and technical constraints), unless otherwise confirmed as such by planning or land use review. However, those within or near existing built-up areas may be suitable for temporary or short-term uses through STTs and TGLAs.

CURRENT SITUATION

Sites on Short Term Tenancies (STTs)

7. STTs are a means of disposing sites for temporary or short-term uses. As described in paragraph 3 above, STTs are used for granting sites to public bodies for works prior to land grant or permanent vesting. For vacant government sites available for temporary or short-term gainful use described in paragraph 4 above, if they are of general commercial interest, they would be let out for commercial uses through STT at full market rent by way of open tender (e.g. STT carpark, recycling yards). Where supported by relevant policy bureaux, vacant government sites (any of those described in paragraphs 4-6 above) may also be directly granted to particular non-government bodies or community organisations, possibly with concession in rent, for specific

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² In July 2012, in response to a question by LegCo, DEVB compiled on a one-off basis statistics about UUGL in various land use zonings, which totalled about 4 000 hectares. As subsequently clarified by DEVB, most of such land comprised sites pending permanent development as described in paragraph 4, or piecemeal pockets of UUGL within built-up areas as gaps between developments as described in paragraph 6.

temporary or short-term non-profit-making uses (e.g. welfare, sports, religious, markets, greening, farming, etc.).

- 8. Apart from the above, applications from individual applicants for direct grant of vacant government land by STT would be considered if the following basic requirements are met: (i) the government land concerned could not be leased out separately to other persons (except the applicant) given its location, configuration, zoning, size and the like; (ii) there are no other uses of the government land in the short term (or even no long-term uses have been identified); and (iii) the application is for non-domestic purposes, etc. Such vacant sites would mostly belong to those described in paragraphs 5 & 6 above. An example is STT let to adjoining lot owner for private garden use where the sites are normally irregular in size with limited accessibility, which is commonly applied for village houses and other low-rise developments.
- 9. There are currently about 5 300 STTs with a total area of approximately 2 450 hectares, breakdown by the types of use described above as follows
 - (a) Works areas/works sites: $1750 \text{ ha} (71\%)^3$;
 - (b) Community, education, sports, religious and other non-profit-making uses: 205 ha (8%)⁴;
 - (c) Commercial uses (e.g. fee-paying carparks), public utilities and other miscellaneous uses: 455 ha (19%); and
 - (d) Private gardens: 40 ha (2%).

Annex I sets out the detailed breakdown of existing STTs by district (**Annex I(a)**) as well as by use and area (**Annex I(b)**). During the period from 2012 to 2016, a total of 1 192 new STTs have been granted (at an average of about 238 per year with actual annual figure varying slightly from year to year), 855 (72%) by direct grant and 337 (28%) are by open tender.

10. STTs are normally granted for a fixed term of not more than five years (in some cases with policy justifications a longer term of up to seven years may be granted) and thereafter continue monthly or quarterly. If, upon expiry

³ Including an STT let to the Airport Authority Hong Kong for land formation and related works of the Three-Runway System (1 640 ha).

⁴ Including an STT let to the Kadoorie Farm for water conservation and agricultural use (55 ha).

of the fixed terms, the sites concerned are not immediately required for permanent or other temporary uses, those STTs let by direct grant can generally continue on a monthly or quarterly basis, while those let by tender will usually be re-tendered for another fixed term unless the remaining short duration for which the site will be available does not justify re-tender. STTs will be terminated at an appropriate time to make way for implementation of the long-term planned use or another temporary use which should be given priority in the light of changing circumstances, or to facilitate re-tendering as appropriate.

Sites on Temporary Government Land Allocation (TGLAs)

11. TGLA (including Simplified Temporary Land Allocation (STLA)) is a temporary allocation of a parcel of Government land to a government department/bureau for specific works or use. The duration of TGLA generally depends on the nature and requirements of government project or use as well as the implementation programme of the long term planned use if applicable. There are currently about 4 000 TGLAs/STLAs with a total area of about 3 340 ha of land being allocated to government departments on temporary basis to facilitate the implementation of government projects or provision of government services. For those works sites which are required for government projects, such as those for construction of roads or highways, they are allocated for implementation of the permanent use and the sites concerned would normally become part of the future infrastructure upon expiry of the TGLA (as a ballpark, about two-thirds of the area used for works areas/works sites are expected to become part of the infrastructure). Annex II shows the breakdowns of TGLA by districts. During the period from 2014 to 2016, a total of 274 new TGLAs were made (at an average of about 91 per year with actual annual figure varying slightly from year to year).

Other Vacant Government Sites

12. For vacant government sites which have little potential for gainful uses (due to zoning, physical conditions, technical constraints, or pending infrastructure support), they may be suitable for greening and community uses by non-governmental organisations (NGOs). Lists of such sites are compiled by the relevant District Lands Offices (DLOs) and circulated to the relevant District Councils, District Offices and District Social Welfare Offices on a

regular basis, and are available for public inspection at the relevant DLO. As at 30 June 2017, there are some 912 such sites available for greening and community uses by NGOs amounting to a total land area of about 140 ha. **Annex III** shows the breakdown of the numbers of greening and community use sites available for application by DLOs as at 30 June 2017 (**Annex III(a)**), and the numbers of applications received and approved in the past 5 years (**Annex III(b)**). Due to the low potential of these sites for gainful uses, the applications received and approved are not particularly high. As best endeavours to optimise the use of land, the Lands Department (LandsD) plans to implement improvements to the existing arrangements related to the access to information of these sites and the application process. Please see paragraph 14 for further details.

OBSERVATIONS

- 13. A number of observations on the existing arrangements and situation of vacant government sites and their deployment for use through STTs and TGLAs are worth noting
 - (a) Most of the vacant government sites are land resource "in transition", i.e. the sites already have planned long-term use and are pending disposal or allocation for permanent development, and many sites under STTs and TGLAs are actually for works in connection with permanent development. Putting them to temporary or short-term uses pending permanent development optimises the use of the land. Low density use is inevitable due to its short-term nature so as not to jeopardise the long-term use.
 - (b) As a result of the Government's drive to identify sites with potential for housing and other developments through site trawling exercises and land use reviews over the past few years, vacant government sites suitable and ready for development especially those within development zonings (R, C, etc.) are already earmarked for development. The remaining sites are mostly unsuitable for standalone development due to their physical conditions and technical constraints. Making these sites available for temporary or short-term uses especially community uses optimises the use of the land.

- (c) Most of the vacant government sites kept on STTs or TGLAs for an extended period of time are those in "G/IC", "O" or "Other Specified Use" zonings. For these sites, either the permanent development of these sites is still under planning or they are sites kept in reserve to meet future needs. There is established mechanism in land use planning for reviewing such reserved sites to ensure optimal utilisation of land resources. Pending planning of permanent development or review of such sites for alternative use, putting these sites to temporary or short-term uses optimises the use of the land.
- (d) A number of these vacant government sites are left idle as they could not be put to gainful temporary uses due to their physical conditions and technical constraints, e.g. small size, odd shape, uneven topography, involving slopes, relatively inaccessible, remote in location, surrounded by private land, heavily vegetated or overgrown, near sensitive or incompatible uses, etc. Such hurdles make it difficult or unattractive for NGOs to make use of such land even if they have policy support for direct grant at nominal rent.

IMPROVEMENTS TO EXISTING ARRANGEMENTS

- 14. To facilitate more optimal use of land resources and to enable the society to have a better grasp of land utilisation, we see benefits in enhancing transparency of vacant government sites available for temporary or short-term uses, and making it easier for NGOs and other parties to apply for use of such sites. LandsD plans to publish information about the some 912 vacant government sites available for greening and community uses before end of this year, and would consider streamlining the process for NGOs to apply for the use of such sites. At present, information relating to STTs let by open tender is published in the website of LandsD. LandsD plans to publish information of new direct grant STTs and further on renewal of existing direct grant STTs, subject to resolving the legal and technical issues.
- 15. At present, vacant government sites arising mainly from the time gap of implementation of planned long-term use serve as a key source of land supply to meet temporary and short-term uses to meet the needs of the

community. It is worth noting that in terms of land use planning and land resource allocation, there is a need to allow for some buffer/reserve to meet future or unforeseen needs, and also to have a pool of land resource for meeting demand for temporary and short-term uses (e.g. works sites, depots, etc.). In particular, as the development of the built-up areas continue to mature, the availability of such sites "in transition" would diminish, while the need for temporary and short-term uses would continue for development and community uses.

16. Moreover, the land use planning and land resource allocation to meet different uses is a dynamic process. Where necessary and appropriate, land use reviews would be conducted to re-assess the use of existing land, including land held under STTs and TGLAs, as part of the Government's ongoing task to increase land supply for residential and other developments. For instance, the land use reviews conducted by the Planning Department (PlanD) have identified some 210 sites over the past 4 years for change to residential uses (from different existing zonings including G/IC, GB, O, etc.). PlanD has also reviewed school sites which have become vacant and are considered by the Education Bureau as no longer required for school purposes. The review results of such sites and their availability for community use have been published on PlanD's and LandsD's websites. We will continue such processes and make the resulting land resource available in a transparent manner so as to facilitate optimal use of land by the community as a whole.

Development Bureau Lands Department 6 October 2017

Number and Area of Existing STTs Breakdown by District

(Position as of September 2017)

District	STTs by di	rect grant	STTs by open tender		
	No. of STTs	Area of STTs	No. of STTs	Area of STTs	
		(ha)		(ha)	
Hong Kong East	139	13	27	5	
Hong Kong West & South	350	39	154	15	
Kowloon East	98	31	33	14	
Kowloon West	101	56	28	8	
Islands	473	1 716 ¹	18	5	
North	414	42	36	10	
Sai Kung	966	45	35	6	
Sha Tin	287	37	23	19	
Tuen Mun	278	36	27	14	
Tai Po	503	32	32 22		
Tsuen Wan & Kwai Tsing	197	33	80	110	
Yuen Long	1 003	115	29	7	
Sites for railway development projects	26	26 36 0		0	
Total	4 835	2 231*	512	219*	

^{*} The total area may vary from time to time depending on timing in the preparation of the table and the data source.

¹ Including an STT let to the Airport Authority Hong Kong for land formation and related works of the Three-Runway System (1 640 ha) and an STT let to the Kadoorie Farm for water conservation and agricultural use (55 ha).

Number of STTs Breakdown by Use and Area

(Position as of September 2017)

Use of STTs	Area (No.) of STTs by	Area (No.) of STTs by	Sub-total of Area (No.) /
(1) Works areas or works sites required for Public Rental Housing, Home Ownership Scheme, other subsidised housing development, railway development and	open tender	direct grant 1 750 ha ¹ (61)	% of total 1 750 ha / 71% (61 / 1%)
(2) Community, education, sports, religious and other non-profit-making uses	-	205 ha ² (511)	205 ha / 8% (511 / 10%)
(3) Fee-paying carparks, open or covered storage, workshops for recycling, plant nurseries, shops and other commercial uses	219 ha (512)	63 ha (1 388)	282 ha / 12% (1 900 / 36%)
(4) Public utilities (e.g. electric substations, gas offtake stations, television signal transposers, telecommunications facilities, bus stop facilities and others)	-	50 ha (362)	50 ha / 2% (362 / 7%)
(5) Other miscellaneous uses such as guard rooms, pump houses, laying of seawater intake and outfall pipes, access roads, seating areas ancillary to restaurants, livestock keeping, erection of temporary hoardings at construction sites, etc.	-	123 ha (657)	123 ha / 5% (657 / 12%)
(6) Private gardens	-	40 ha (1 856)	40 ha / 2% (1 856 / 35%)
Total area of all STTs (Total number of all STTs)	219 ha (512)	2 231 ha (4 835)	2 450 ha ³ / 100% (5 347 / 100%)

¹ Including an STT let to the Airport Authority Hong Kong for land formation and related works of the Three-Runway System (1 640 ha).

² Including an STT let to the Kadoorie Farm for water conservation and agricultural use (55 ha).

The total area may vary from time to time depending on timing in the preparation of the table and the data source.

Number and Area of Existing TGLAs Breakdown by District

(Position as of September 2017)

District	No. of TGLA ¹	Approximate area
		(hectare)
Hong Kong East	296	192
Hong Kong West	445	103
and South		
Kowloon East	306	230
Kowloon West	174	61
Islands	378	701
North	412	351
Sai Kung	374	432
Sha Tin	289	41
Tuen Mun	161	280
Tai Po	276	151
Tsuen Wan and	282	431
Kwai Tsing		
Yuen Long	448	219
Sites for railway	153	148
development projects		
Total	3 994	3 340*

^{*} The total area may vary from time to time depending on timing in the preparation of the table and the data source.

 $^{^{1}\,}$ Including those granted using the simplified land allocation procedures.

Temporary Vacant Government Sites Available for Application for Greening/Community Uses Breakdown by District

(Position as of June 2017)

Serial No.	DLO	No. of Sites	Area (m²)	Area (ha)	
1	Hong Kong East	15	101 789	10.18	
2	Hong Kong West & South	48	9 731	0.97	
3	Kowloon East	17	19 413	1.94	
4	Kowloon West	20	20 8 520		
5	Islands	59	15.29		
6	North	173	160 442	16.04	
7	Sai Kung	36	38 782	3.88	
8	Sha Tin	60	57 056	5.71	
9	Tuen Mun	Tuen Mun 106		41.56	
10	Tai Po 20		17 672	1.77	
11	Tsuen Wan & Kwai Tsing	115	165 834	16.58	
12	Yuen Long	243	251 208	25.12	
	Total	912	1 398 930	139.89	

Number of applications for grant of STT sites at Annex III(a) for greening or community use and number of approved STTs granted to non-government bodies in the past 5 years

Serial	District Lands Office	2012-13		2013-14		2014-15		2015-16		2016-17	
No.		Application (No. of Cases)	Approval (No. of Cases)	Application (No. of Cases)	Approval (No. of Cases)						
1	Hong Kong East	0	0	2	0	2	0	0	0	0	0
2	Hong Kong West & South	1	0	0	0	4	0	0	0	0	0
3	Kowloon East	1	0	0	2	2	2	1	0	1	1
4	Kowloon West	1	0	1	0	0	0	2	0	1	2
5	Islands	3	4	0	2	0	0	0	0	0	0
6	North	3	1	0	1	2	0	5	0	0	0
7	Sai Kung	2	0	2	0	0	0	0	0	1	0
8	Shatin	1	0	0	0	3	0	1	2	0	0
9	Tuen Mun	2	1	3	1	0	0	1	0	0	1
10	Tai Po	3	0	3	0	1	0	1	0	1	0
11	Tsuen Wan & Kwai Tsing	5	0	0	1	0	0	1	1	0	0
12	Yuen Long	1	3	7	0	5	1	1	0	2	1
	Total	23	9	18	7	19	3	13	3	6	5

Note: The applications approved for each year may not correspond to the applications for that year due to time lag in processing.