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COMPREHENSIVE DEVELOPMENT AREA (CDA) ZONING IN HONG KONG: A PROBIT ANALYSIS OF PLANNING APPLICATION STATISTICS

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DECLARARION

I declare that this dissertation represents my own words, except where due acknowledgement is made, and that it has not been previously included in a thesis, dissertation or report submitted to this University or other institution for a degree, diploma or other qualification.

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(Professor Lawrence Wai-Chung Lai)

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LIST OF ABBREVIATIONS

COM	Commercial Uses
CONT	Container Backup Uses
DPA	Development Permission Area
GFA	Gross Floor Area
HK	Hong Kong Island
IDPA	Interim Development Permission Area Plans
KLN	Kowloon
LDC	Land Development Corporation
MLP	Master Layout Plan
NT	New Towns
OFF	Office Uses
OS	Open Storage Uses
OZP	Outline Zoning Plans
RES	Residential Uses
RURAL	Rural New Territories other than New Towns
SA	Site Area
SCH	School
TPB	Town Planning Board
TPO	*Town Planning Ordinance*

URA	Urban Redevelopment Authority
VTH	Village Type House

ABSTRACTS

This dissertation uses a probit model to evaluate a total of 994 sets of non-aggregate development control (planning application) statistics with respect to Comprehensive Development Area (CDA) zones in Hong Kong from 1980 to August 2005.

The evaluation was conducted with reference to seven hypotheses related to the preference of the Town Planning Board (TPB) for locations, different types of usage and degree of urbanization of the sites under application, preference of the TPB for the scale of the proposed developments, land ownership of the sites under application, and the impact of urban development policies of the Hong Kong Government at the time of the decisions. In Table 1, the test results for each hypothesis, which state their wider theoretical and policy implications, are summarized. Table 2 shows the probit estimates results.

Table 1. A summary of hypotheses, test results and implications

Hypotheses regarding planning applications for uses in CDA zones	Test Results	Implications
(1)The probability of obtaining planning approvals for an application for uses in CDA zones would be the same in all broad regions (namely HK, KLN, NT, RURAL, and DPA).	Hypothesis was not refuted.	There were no differences among the various locations in the granting of planning permission by the TPB.
(2)Planning applications for uses in old urban areas are not associated with a higher chance of being approved than those in New Towns or Rural Areas.	Hypothesis was not refuted.	More urbanized areas did not stand a higher chance of being approved than less urbanized or rural areas.
(3)The probability of obtaining planning approvals for container backup uses in CDA zones is lower than other uses.	Hypothesis was refuted.	Applications for container storage, container vehicle parking, or container related uses had a lower probability of obtaining permission then other uses in CDA zones.
(4)The probability of obtaining planning approvals for open storage uses other than container backup uses in CDA zones is lower than other uses.	Hypothesis was not refuted.	The TPB was not biased against applications for open storage uses other than those for container backup uses.
(5)Planning applications for uses in larger sites (measured in terms of the proposed gross floor area [GFA] of the building or use) have no greater chance of being approved by the TPB than those for uses in smaller sites.	Hypothesis was refuted.	The larger the scale of the development, the greater its chances of obtaining permission for uses in CDA Zones. There was also evidence of the existence of rent-seeking activities when the TPB makes its decisions.

(6) The probability of getting planning permission for all uses in CDA zones is the same for applications made by public sector applicants and private applicants.	Hypothesis was not refuted.	The TPB did not display any preference for applications made by Quasi-Autonomous Non-Government Organizations.
(7) Planning approvals are insensitive to changes in exogenous government policies towards development: planning applications decided on/after 7th October 1999 (when a major exogenous government policy on urban redevelopment was announced) were not more likely to be approved by the TPB than those decided before that date.	Hypothesis was not refuted.	The TPB's decisions on planning applications in CDA zones were generally not responsive to exogenous government policies.

Table 2. Probit Estimates of the decision function

Zone	N	C	HK	KLN	NT	OFF	COM	RES	HOTEL
		0.985535 (6.044705)	0.149582 (0.713003)	0.080874 (0.403954)	0.063896 (0.384742)	-0.201790 (-1.016469)	-0.149892 (-1.052129)	0.014572 (0.097549)	0.176391 (0.871593)
CDA	903	OS	CONT	VTH	SCHOOL	GFA	QUANGO	POLICY_ 1999	Log likelihood
		-0.306196 (-1.494704)	-0.678063* (-2.921404)	-1.028683* (-3.357146)	0.044293 (0.219007)	1.30E-06** (2.500267)	0.246740 (1.319780)	0.066618 (0.337047)	-362.3561

Notes: Figures in parentheses are z-statistics;
* indicates statistical significance at the 1% level;
** indicates statistical significance at the 5% level.

CHAPTER 1

INTRODUCTION

Development Controls in Hong Kong

Keeble (1969) explained development controls as the process by which the proposals in a development plan are put into practice by agencies, either public or private (or both), and development controls involve the regulation of the detailed aspects of development, about which precise guidance cannot be given by the development plan, so as to ensure convenient and significant results. The Hong Kong Government has referred to development controls as the processes and procedures concerned with controlling the development of land and buildings (Town Planning Office, 1988).

In fact, Hong Kong has two main development control measures, namely lease controls and statutory controls. These development control measures are undertaken by the government through various government agencies and departments, such as the TPB, Planning Department, Lands Department, Buildings Department, etc. Different authorities within the hierarchy of the government may control or influence development through different measures.

Lease control is an influential control measure under the land leasehold system, which was first implemented in Hong Kong by the British in 1841. Inside the Crown/Government Lease or the Conditions of Sales/Exchange/Grant (collectively know as Conditions of Sales), there is usually a 'user clause' that restricts the uses permitted on a plot of land. Lease conditions also control the physical form of a development by restricting its plot ratio, site coverage, building height, non-building areas, etc. They also contain clauses that define the obligations of the lessees. These clauses, such as the duty to develop the land within a period of time, are enforceable in civil law courts. Therefore, the lease clearly defines the property rights of the lessees. Subject to the conditions stated in the lease, the government can re-enter or resume control over a leased land if the lessee fails to compile with the requirements stated in their agreement. For example, a non-payment of Crown/Government Rent and a breach of use covenants are grounds for repossession. Hence, Lai (1997a) argued that the leasehold system was not simply a land allocation system, but also a system of 'planning by contract'.

Statutory controls are those set down in the ordinances and regulations passed by the Legislative Council of the previous British colonial government or the current Hong Kong Special Administrative Region Government. Major control measures include the e-Town Planning

Ordinance,[1] Building Ordinance,[2] Building (Planning) Regulations,[3] and other related ordinances and regulations that regulate development.

The Town Planning Ordinance (TPO) is the cornerstone for statutory development controls. It was first enacted in 1939, and has been amended many times to cope with changes in the social environment. The aim set down in the Ordinance is:

> To promote the health, safety, convenience and general welfare of the community by taking provision for the systematic preparation and approval of plans for the layout of area of Hong Kong and for the preparation and approval of plans for areas within which permission is required for development as well as for the types of building for erection therein (Town Planning Ordinance, Chapter 131, Preamble).

Section 2 of the TPO empowers the formation of the Town Planning Board (TPB). The Board is chaired by a high level government official, the Secretary for Planning, Environment and Lands, and is comprised mainly of government appointed unofficial members. It is mainly responsible for preparing statutory plans[4] and considering planning applications[5]. As stated

[1] Chapter 131, Laws of Hong Kong.

[2] Chapter 123, Laws of Hong Kong.

[3] Chapter 123F, Laws of Hong Kong.

[4] Section 3, Town Planning Ordinance.

[5] Sections 16-17, TPO.

in the *Town Planning Ordinance* which is substantially amended in 1990, this statutory body liable to plan for and regulate the entire territory rather than special districts of Hong Kong. It has stressed that its role is to protect public interest in the environment, but has no statutory duty to enhance land value or promote local economic environment.

The statutory Outline Zoning Plan (OZP) has three parts, a zoning map, a set of Notes for Schedule of Uses, and an Explanatory Statement. The cover pages of the Notes contain uses that are always permitted in each zone. In addition, there are "Column 1' and "Column 2" uses in the Schedule of Uses for each zone class shown on the zoning map. Column 1 contains uses that are always permitted by the Town Planning Board in that zone, and Column 2 contains uses that may be permitted with or without conditions upon application under Section 16 of the TPO to the TPB.

Planning Applications

In August 1974, the Hong Kong Government amended the TPO to establish a planning permission system as a subsequence of the Singway Case[6] (Bristow, 1984). It is aimed to allow greater flexibility in land use and better control of development to meet changes of Hong Kong (TPB, 1992).

[6] *Singway Co., Ltd. vs. The Attorney-General,* [1974] HKLR 275.

At the time, the planning application system only applied to areas where there was an OZP (i.e., Hong Kong Island [HK], Kowloon [KLN], and the New Towns [NT]). It was later extended to cover the rural New Territories (RURAL) under the Town Planning (Amendment) Ordinance on 25 January 1991. Under this Amendment, Development Permission Area (DPA) Plans were subsequently prepared and published. Within the DPA areas, planning permission from the TPB would be required for all forms of 'development', unless they are for existing uses or otherwise exempted in the plan.

Sections 16 and 17 of the TPO lay down the procedures for dealing with planning applications and review procedures. If the proposed use of a development falls under Column 1, or is always permitted in all zones, or is an existing use, a developer does not need to apply for planning permission from the TPB even if it is not permitted to by the land lease (no lease modification is required). However, if the intended use falls under Column 2, the developer would have to apply to the TPB under Section 16(1) of the Town Planning Ordinance, even if the lease permits the use. These planning applications to the TPB are commonly referred to as "Section 16 applications". If the proposed use does not fall within any of the above categories, the development is not permitted under the plan, and a developer can only apply for a rezoning of the area.

When planning permission for a development is required, under Section 16 of the TPO, a developer or its representatives must make a planning application by submitting a prescribed application form with supplementary information, such as a traffic impact assessment and an environmental assessment, to the TPB. The TPB may approve the application with or without conditions or reject it within two months of its receipt of the application. If the applicant is dissatisfied with a decision (i.e., when an application is rejected), s/he may, within 21 days of being notified of the decision of the Board, apply in writing for a review of the case to the same Board under Section 17(a) of the Town Planning Ordinance. If s/he is again aggrieved by the result of the review, s/he has a right to appeal to the Town Planning Appeal Board under S.17B of the TPO (Lai 1999a).

Since the powers of development controls are so wide and sometimes so vague, it is important to have a clear policy based upon definite principles. Otherwise, the control will degenerate into an ineffective and formless confusion (Keeble, 1969). When making a Section 16 application, in order to increase the probability of approval, an applicant needs to understand what the TPB considers to be material to the application. However, there are few detailed planning regulations under the Ordinance for developers to follow. Besides, the TPB is empowered to consider a planning application on its own merits. With this political framework, the lack of transparency

has created risks for investment. However, it has been argued that the inclusion of uses in Column 1 and 2 has already provided certainty. But in such a way, a developer has no way of knowing its chances of getting approval for an application for a particular use in a particular zone. Moreover, due to the secretive operations of the TPB, the exact factors or considerations it regards as important are uncertain. This problem exists even though the TPB always offers some brief and general reasons for rejecting applications. Besides, in a S.17 review, the board often rejects an application again on the grounds that it contravenes the 'planning intention' for a zone. This creates more uncertainties.

Objectives of the Study

Within the above background, this dissertation uses the probit model to evaluate the cross-sectional development control data on planning applications for CDA zones in Hong Kong from 1975 to 2005. It tries to test whether there was any obvious statistical pattern associated with the results of the planning applications. The analysis seeks to develop a model to interpret the data for a class of zones – the CDA Zones – and find out the significant decisive variables that are associated with a higher probability of getting approval in planning applications.

Framework

This dissertation is divided into six chapters. Chapter 1 gives a brief introduction and background of the study. Chapter 2 elaborates on planning for CDA Zoning. Chapter 3 reviews the literature in the area of development controls, the applications of development data, and the methodologies used by researchers in interpreting development control data. In Chapter 4, seven hypotheses are established, and the methodology (probit modelling) and data used will also be discussed. The results of the probit analysis will be discussed and interpreted in Chapter 5. Chapter 6 is the conclusion, which includes a discussion of the limitations of the study and areas for further research.

CHAPTER 2

PLANNING FOR

COMPREHENSIVE DEVELOPMENT AREA ZONING

What is CDA Zoning?

CDA zoning is a type of land use designated in statutory town plans (i.e., Outline Zoning Plans/DPA Plans). The Schedule of Uses and Explanatory Statement in the statutory plan (DPA Plan, or OZP) states that:

> This zone is intended for [the] comprehensive development/redevelopment of the area for residential and/or commercial uses with the provision of open space and other supporting facilities. This zoning is to facilitate appropriate planning controls over the development mix, scale, design and layout of development, taking account of various environmental, traffic, infrastructure, and other constraints (TPB, 2005).

CDA zoning was first introduced into the OZP in 1976 as 'Other Use (Comprehensive Redevelopment Area)' [OU (CRA)] to existing street blocks with the intention of ensuring redevelopment on a comprehensive basis and avoiding the haphazard piecemeal redevelopment that occurred when subdivisions and combinations were unrestricted.

A CDA zone can be imposed statutorily on either large sites with obsolete uses (such as dockyards) held under single ownership, or a host of

small sites held under multiple ownership. In both cases, the CDA zoning class serves the purpose of fostering urban renewal in properties subject to such zoning by requiring the submission of a master layout plan for the entire zone by one development agency for the approval by the Town Planning Board established under the *Town Planning Ordinance*. For CDA with multiple land titles, the Urban Renewal Authority (previously known as the Land Development Corporation), which is a government-owned statutory body, is normally involved. It wields draconian legal power under the *Land Resumption Ordinance*[7] (previously known as *Crown Lands Resumption Ordinance*) to take back leasehold titles in any redevelopment project.

When a street block is deemed a CDA zone, an individual tenant or sub-tenant can no longer redevelop his land through subdivisions or *in situ*. He/she must first come to an agreement from each and every other tenant and sub-tenant for a planning scheme, namely a Master Layout Plan (MLP), for the whole street block. That means redevelopment in CDA zones requires the submission of an MLP. Proposed redevelopment may only proceed before the MLP is approved by the TPB (Lai 1996, 1997a, 1998a, 1998b, 1999). Imposing CDA zoning on existing leasehold land restricts the rights of landowners to freely subdivide or combine property for the most

[7] Chapter 276, Laws of Hong Kong

profitable purpose. Transaction costs would be borne by landowners in their attempts to negate or comply with the CDA zoning.

In new development areas, especially in new towns, the same is achieved by prior restrictions on the subdivision of street blocks via lease conditions when they are allocated. In this situation, the administrative restrictions on subdividing are part of the civil contract between the government and property owners, and do not constitute an infringement of rights.

The CDA concept has three major benefits from a planner's point of view (Booth, 1996; Listokin, 1974; Weaver and Babcock, 1979). First, CDA sites can achieve maximal plot ratios. Second, it will achieve a better designed layout and block disposition and provide adequate communal facilities for a development. Third, it allows economies of scale in property and environment management, as governed by the deed of mutual covenant.

Rational for CDA planning

Since Hong Kong's population grew very rapidly during the immediate postwar decades, the plot ratio control was relaxed in 1956, allowing for the development of high-rise blocks on land to cope with the huge influx of refugees from China. Consequently, Hong Kong developed

into a city characterized by high-rise buildings and the intensive use of its scarce land resources.

In high-density development areas, especially old urban areas, many uses are piled on top of one another in the same buildings or located in buildings in close proximity. There is a very high degree of intermixing of space users, many of which may not be compatible to one another, and even hazardous to others. Thus, the living environment is adversely affected. There is an immediate necessity for urban renewal and the restructuring of land uses in these older urban areas.

However, land ownership patterns in Hong Kong have obstructed the redevelopment of these decaying urban areas. The current system of ownership in high-rise properties is tenancy in common based on a deed registration system with land granted on a leasehold basis by the government. The division of multi-ownership in buildings imposes constraints on urban redevelopment, since it is very difficult to acquire all interests in a redevelopment site of any significance. Thus, in old urban districts, redevelopment has been restricted to sporadic high-rise projects on small sites, commonly called “pencil development” (Lai 1996, 1998b). Limited open spaces and public facilities are provided in these developments. Such developments are often inefficient. Due to the piecemeal redevelopment in

the fully and intensively developed older urban areas, different uses are accommodated in separate sites. Usually, each use is only situated in one building and for one purpose. If a part of a city has been planned, its different uses are located in clearly defined compartments of land use so that incompatible uses are never located in such close proximity and in such incompatible locations to each other so as to cause problems for one another.

Figure 1 High density buildings developed through redevelopment without CDA zoning in Sai Ying Pun. (Photograph by Urban Renewal Authority)

In order for a high-density development area to provide an attractive townscape and the necessary facilities in an appropriate location, it must be well-planned and implemented through large-scale comprehensive development schemes. This is important for both new developments and the

redevelopment of old districts. These comprehensive development schemes include urban design integration between all built structures inside CDA zones, as well as between the CDA and the overall townscape, standards of provision and locational factors of community and recreational facilities, the need for infrastructure, the effects of physical development on human behaviour, etc.

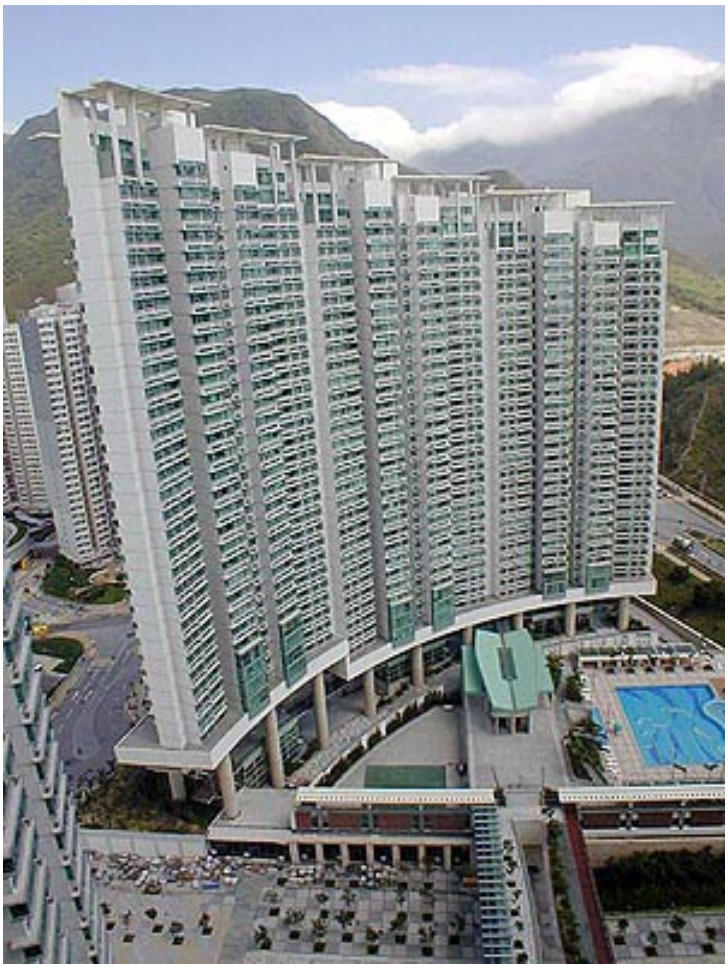


Figure 2 Tung Chung Crescent – a properly plannedCDA high-density residential development with the provision of community and recreational facilities. (Taken by author on 10-01-2006)

Hence, so as to facilitate urban restructuring and phase out incompatible development and non-conforming uses, the government introduced CDA zoning to the OZPs in 1976 as "Other Uses (Composite Redevelopment Area)" zoning to cover all street blocks.

Designation and Monitory for CDA Zones

According to the TPB Guidelines for the Designation of "Comprehensive Development Area" (CDA) zones and Monitoring the Progress of "CDA" Development (TPB, 1999), CDA zoning basically aims to achieve the following objectives:

(a) To facilitate urban renewal and restructure land uses in the old urban areas;
(b) to provide incentives for the restructuring of obsolete areas, including old industrial areas, and phasing out non-conforming uses, such as open storage and container backup uses in the rural areas;
(c) to provide opportunities for site amalgamation and restructuring of road patterns, and ensure the integration of various land uses and infrastructure development, thereby optimizing the development potential of each site;
(d) to provide a means for achieving coordinated development in areas subject to traffic, environmental, and infrastructure capacity constraints, and in areas with interface problems of incompatible land uses;
(e) to ensure an adequate, as well as timely, provision of government, institution, or community (GIC), transport, and public transport facilities and open spaces for development, and, where possible, to address the shortfalls in each district; and
(f) to ensure appropriate controls over the overall scale and design of a development in the areas of high landscape and amenity values and in locations with a special design or historical significance (TPB, 1999, 1-2).

Under Section 4(1)(f) of the Town Planning Ordinance, the TPB is empowered to designate an area a CDA. As of the end of December 2005, there were a total of about 1,310 hectares of land on statutory plans designated CDA or OU(CRA). CDA zones are designated in the public interest, although individual property owners' rights are taken into consideration. In determining whether CDA zoning is suitable for a particular site, factors such as planning intention, land status, and development constraints, including prospects for implementation, are considered. However, a CDA is only designated when there are no better alternatives for achieving the planning objectives for a particular area.

In order to closely monitor the implementation progress of CDA zones, the TPB agreed in 1998 to undertake more frequent reviews of existing CDA zones to consider the appropriateness of this zoning for certain sites. Only sites with positive prospects of implementation would be retained as CDA zones (e.g. if the site is under active planning by an implementation agent, or if there are other good reasons for retaining the CDA zone). Otherwise, the sites will be rezoned for other uses or have their permissible development intensities reviewed to see if they could be increased to boost incentives for redevelopment (TPB, 2000).

Figure 3 City Garden in North Point was rezoned from Other Specified Uses (CDA) to Residential (Group A) to properly reflect their purpose. (Date Taken by author on 17-12-2006)

Planning Applications for CDA Zoning

Table 3 shows an example of the land uses, which are commonly found in the Schedule of Uses in the statutory plan, under Column 1 and Column 2 within a CDA zone. Unlike other zonings, there is not always a permitted use in Column 1 for CDA zoning. Column 2 covers a long list of specific uses that are the most typical in Hong Kong. All uses in Column 2 require planning permission in order to be carried out, the lack of which may lead to enforcement action by the Planning Department. Therefore, any development or redevelopment within CDA zones must obtain planning permission from the TPB.

Table 3 Column 1 and Column 2 uses within CDA Zones

Column 1 Uses always permitted	Column 2 Uses that may be permitted with or without conditions upon application to the TPB
	Ambulance Depot[$] Commercial Bathhouse/Massage Establishment[$] Eating Place[$] Educational Institution[$] Exhibition or Convention Hall[$] Flat[$] Government Refuse Collection Point[$] Government Use (not elsewhere specified) [$] Hospital[$] Hotel[$] House[$] (other than rebuilding of a New Territories Exempted House or replacement of a existing domestic building with a New Territories Exempted House permitted under the covering Notes[$]) Information Technology and Telecommunications Industries[$] Institutional Use (not elsewhere specified) [$] Library[$] Market[$] Mass Transit Railway Vent Shaft and/or Other Structure above Ground Level other than Entrances[$] Off-course Betting Centre[$] Office[$] Petrol Filling Station[$] Pier[$] Place of Entertainment[$] Place of Recreation, Sports or Culture[$] Private Club[$] Public Clinic[$] Public Convenience[$] Public Transport Terminus or Station[$] Public Utility Installation[$] Public Vehicle Park (excluding container vehicle) [$] Recyclable Collection Centre[$] Religious Institution[$] Residential Institution[$] Research, Design and Development Centre[$] School[$] Shop and Services[$] Social Welfare Facility[$] Training Centre[$] Utility Installation for Private Project[$]

$ Uses within the "CDA" zone to be added or deleted according to the planning intention of individual sites. Uses added only where appropriate.

According to Section 4A(2) of the TPO, an application for permission to develop land designated 'Comprehensive Development Area' should include an MLP for the approval of the Town Planning Broad. The MLP should indicate therein the following information:

(a) The area of the proposed land use(s) and the nature, position, dimensions, and heights of all buildings to be erected therein;
(b) the proposed total GFAs for various uses and the total number of flats and flat sizes, where applicable;
(c) the details and extent of 'GIC', as well as recreational facilities, parking spaces, and open spaces to be provided within the area;
(d) the alignments, widths, and levels of any roads to be constructed within the area;
(e) the landscaping proposals within the area;
(f) the programmes of building development in detail;
(g) an environmental impact assessment report to examine any possible environmental problems that may occur as a result of the proposed development and the proposed mitigation measures for tackling them; and
(h) other information as may be required by the TPB.

The MLP should be supported by an explanatory statement that contains an adequate explanation of the development proposal, including such information as land tenure, relevant lease conditions, existing conditions of the site, the character of the site in relation to the surrounding areas, principles of layout design, major development parameters, design population, types of GIC facilities, and recreational and open space facilities.

A copy of the approved MLP shall be made available for public inspection at no cost in accordance with Section 4A (3) of the Town Planning Ordinance.

CHAPTER 3

LITERATURE REVIEW

Previous Research on Development Controls

Development controls are an integral component of urban land use policy, and have long attracted strong intellectual interest (Gilg and Kelly, 1996; Harrison and Mordey, 1987; Pearce, 1987; Roman-Robinson, *et al*., 1995; Tewdwr-Jones, 1995; Wakeford, 1990; Webster, 1998; Willis, 1995). A major study emphasis is the degree of certainty and flexibility provided by the planning system. It is believed that certainty is essential for a planning system, but one that is hard to sustain (Tewdwr-Jones, 1995), and there are obvious benefits in maintaining certain flexibility when considering development applications to cover unforeseeable circumstances (Purdue 1977; Healey, *et al.* 1988; Larkham 1990a). However, although planners wish to achieve consistency and legitimacy in their decisions (Healey, *et al.,* 1988), the decision making process of the Planning Authority is not fully understood (Underwood 1981).

According to Booth (1996), the UK and the US represent two distinct planning systems, discretionary and regulatory, respectively, in controlling property development. Hong Kong is classified as a 'hybrid' system. It comprises both a discretionary permission process within a constellation of

statutory zoning plans, and is relatively simple and easy to understand (Planning Department, 1995). Government planners also claim that this system contains the merits of certainty and flexibility (Planning Environment and Lands Branch 1996), but much reservation about it was raised by Tang, *et al*. (2000).

Within the 'hybrid' system, the role of plans and the material considerations of the decision making body (Underwood 1981) are crucial components of development control, and hence have attracted a considerable number of studies.

The Role of Plans

The role of plans is to deal with the extent of the adherence of planning policies and their implementation through development controls (Underwood 1981). Abundant studies have been carried out in this area (Whitehead 1989; Tewdwr-Jones 1993, Tang and Tang 1999; Tang and Choy 2000, Lai and Ho 2000, 2001a, b, 2002b, 2003; Chau and Lai 2004). Poultney and Kingsbury (1983) examined the relationship between development plans and development controls. Similarly, Davies, *et al.* (1986) also investigated the relationship between development plans, development controls, and appeals. Keys (1986) examined the extent to which the "Green Belt Policies" were implemented by development controls. Hong Kong's

development control statistics have also been empirically studied (Chau and Lai, 2004; Lai and Ho, 2000, 2001a, b, c, d, 2002a, b, 2003). Tang and Tang (1999) examined the effectiveness of the 'two-tier plot ration' system.

Material Considerations

Material considerations are about the considerations that are taken into account when development control decisions are made (Underwood 1981, Cullingworth and Nadin 2002). In other words, material considerations are the decision criteria for granting planning permission to planning applications by the Planning Authority.

Underwood (1981) pointed out that the Planning Authority may use standard reasons of rejection to cover up the real ones. Davies, et al. (1986) identified a long list of 87 considerations. They grouped them into two broad categories. First were the practical considerations related to the physical form and quality of the developments themselves. Second were the strategic considerations covering wider issues such as location, timing, planning gain, and financial viability. On the contrary, McAuslan (1980) argued that physical and environmental amenity factors remained the fundamental decision criteria despite the trend of social and economic factors being increasingly included in the expanding scope of material considerations. Healey, *et al*. (1988) found that marketability assessment by

builders was another key factor. But Bramley, *et al*. (1995) indicated that planning policy was found to be autonomous from the market, and the granting of planning permission was only weakly responsive to market forces. Willis (1995) concluded that the planning authorities relied on only a few factors in their decision making.

Hong Kong's Planning Department claims that the Planning Authority would:

> Usually take into account such factors as the planning intention and Government policies, social, economic and environmental impacts of the development on the wider area traffic and infrastructure implications, and compatibility of land uses (emphasis added).
> (Planning Department 1995, 27)

There is a wide range of factors, and the term 'usually' simply adds to the ambiguity in the decision making process for development controls (Tang, *et al*. 2000). Interestingly, the Secretary for Planning, Environment and Lands claimed that the planning processes are open and give a clear indication of what developments are desirable and where they should go (Secretary for Planning, Environment and Lands, 1990). However, the TPB makes decisions behind closed doors, and its criteria for making decisions

are not known to the general public. This black box operation of the TPB has been questioned.

There are planning guidelines issued to increase the certainty of the decision making process by assisting applicants to prepare their applications. Unfortunately, as pointed out by Lai and Ho (2001a, b, c, d, 2002a, b, c, 2003), to what extent the Planning Authority itself adheres to these guidelines is unknown, as decisions are made in the absence of applicants. Hence, some studies have attempted to examine the decision making criteria of the TPB.

Tang and Choy (2000) used 162 samples of development control data for office development in Residential (Group A) zones in urban Kowloon to examine four key factors that can explain the decisions of the TPB. Tang, *et al*. (2000) further investigated the decision making criteria for 104 applications in the same zone on Hong Kong Island.

Lai and Ho (2001b, c, 2002a) examined the idea that 'the board will consider these applications on their individual merits' contained in the Explanatory Statement to OZPs. They did this by testing whether exogenous government policies have an impact on a decision.

The Use of Development Control Data

In the US and the UK, various researchers (Brotherton 1984, 1992a, b; Dobry, 1975; Gilg and Kelly 1996; McNamara and Healey 1984; Preece 1990; Sellgren 1990; Willis 1995) analyzed the policies and behaviours of the planning authorities by using planning application statistics on development controls. Dobry (1975) argued that the planning mechanism causes delays.

In Hong Kong, Staley (1994) analyzed the cost of delays caused by the proposals in the Review of the Town Planning Ordinance 1991 (Planning, Environment and Lands Branch 1991). He concluded that the transaction costs of a development would increase if the 'planning certification of the Town Planning Bill 1996' was introduced (Planning Environment and Land Branch 1996). Lai (1997a, b) also criticized the bill by pointing out that the proposed planning legislation would cause delays in the development process and lead to higher transaction costs through waiting, which may bring about rent-seeking activities that favour larger developers. The empirical analysis of development control statistics was then widely used in Hong Kong as a tool for different types of evaluation of property development (Chau and Lai, 2004; Tang and Tang 1999; Lai and Fong 2000; Lai and Ho 2001a, b, c, d, 2002a, d, c, 2003; Tang and Choy 2000; Tang, *et al*. 2000; Willis, 1995).

Aggregate and Non-aggregate Data

We can divide development control data into two types, namely aggregate data and non-aggregate, or disaggregate, data. Carols (1979) pointed out that:

> If each observation in our data set consists of a value of the attribute vector a (representing an individual who has been interviewed), and an observed choice, we say that we have disaggregate data. If, on the other hand, the data include only information on groups of people, we call it aggregated or grouped data (Carols 1979, 6).

Aggregate data can be used to indicate a general trend, while non-aggregate data can be used to study discrete characteristics. The use of non-aggregate data is not common in planning research compared to the use of aggregate data. Many researchers in land use policy or development management are content with using aggregate data. Lai and Ho (2002a, 572) stated that, "These critics abandon the road to progress in planning, namely, the application of established of established statistical techniques for the analysis of existing development control data". However, many researchers (Brotherton 1982, 1992a, b; McNamara and Healey 1984; Buller and Hoggart 1986; Larkham 1986, 1988, 1990a; Preece 1990; Sellgren 1990; Bingham 2001; Lai and Ho 2001d) pointed out that aggregate development control data has many inherent limitations, including ambiguous definitions and measurements of planning variables, problems with the choice of

weighing criteria, and the loss of essential information, such as development size and specific planning conditions on individual planning permission statistics. Therefore, disaggregate data is needed to make a liable analysis. Lai (2001c, 2426) commented that, "although there is no doubt that aggregate data are useful in many circumstances; non-aggregate statistics open the gate to rigorous analysis of three types of planning studies."

The three types of planning studies suggested by Lai (2001b, c) are: (1) the direct measurement of the effectiveness of development controls upon externalities (Lai 1994, 1997b); (2) the evaluation of the behaviour of players in the land market; and (3) the empirical verification of economic theories concerning the behaviour of planning authorities.

While the first suggestion acts as an alternative means to the hedonic pricing analysis (Fischel, 1980; Anderson 1982; Benson 1994; Bramley 1993), the third examines the consistency of the Planning Authority in applying its own or exogenous policies and the rent-seeking argument. Economists have debated over government intervention in the land market and the infringement of private property rights on land (Fischel 1980, 1985; Lai 1997b). There is a belief that planning permission systems are rent-seeking devices that favour larger developers who are more resourceful in

lobbying the relevant planning authorities (Benson 1984; Gifford 1987; Mills 1989; Tullock 1993).

The use of non-aggregate statistics (Chau and Lai, 2004; Lai and Ho, 2001a, b, c, 2002a, c, 2003) to study the rent-seeking behaviour within the planning permission mechanism provides persuasive empirical evidence and thus shows the superiority of using non-aggregate data upon mere conjectural analysis. A similar approach will be adopted in this dissertation to test the rent-seeking argument and other behaviours of the planning authority concerning the CDA zones.

The Probit Model and its Application in Development Control Analysis

There are two econometric models, the probit and logit models, that can be conveniently used to overcome the limitations and controversies of using aggregate development control statistics (Lai and Ho 2001a). These two models can be used to interpret the three dimensions mentioned above, and both can avoid the controversy of employing aggregate development control statistics.

The logit model has been used by Willis (1995), Tang and Tang (1999), Tang and Choy (2000), and Tang, et al. (2000). The probit model, a

binary dependent variable model, has been used by Chau and Lai (2004), Lai and Chan (2004), and Lai and Ho (2001a, b, c, d, 2002a, b, c; 2003), and will also be used in this dissertation.

Probit analysis was used as early as the 1930s to study the effectiveness of insecticides. Probit transformation was then widely used in the statistical analysis of biological data and, afterwards, in urban economics, including model homeownership (Lee and Trost 1978; Goodman and Lawai 1981; Goodman 1988; Horioka 1988; Bourassa 1995; Hsueh and Chen 1999; Painter 2000), the ownership of automobiles (Farrell 1954), and residential construction (Chan 1999). Recently, this estimation technique was adopted to evaluate the planning application system in Hong Kong (Chau and Lai, 2004; Lai and Ho 2001a, b, c, d, 2002a, b, c, 2003). These researchers studied the development control data of S.16 applications for various zones in Hong Kong. They demonstrated the versatility of the probit model in examining the material considerations with regard to planning applications for different zonings.

Chau and Lai (2004) and Lai and Ho (2001a, b, c, 2003) examined the rent-seeking behaviour of the Planning Authority with the use of the probit model in Agricultural, Green Belt, Residential (Group B), Residential (Group C), and Open Storage Zones. They also used the probit model to

study the sensitivity of planning decisions towards exogenous government policies on Agricultural, CDA, Residential (Group A), Residential (Group B), Residential (Group C) zones, small house applications in Green Belt Zones, and GIC Zones. They also examined other factors, including locations and uses applied for that may be of concern to the planning authorities. Lai *et al* (2006a, b) used the probit model in assessing the impact of exogenous shocks, namely the Sino-British negotiation of 1982-84; Tiananmen Incident (June 4, 1989); the Asia Financial Crises (1997) and SARS outbreak (2003) on decision patterns of local property buyers (2006a) and the TPB and Building Authority (2006 b).

These recent studies demonstrated the usefulness of non-aggregate planning application statistics analysis by the probit model. These analyses have provided many useful development guidelines and effective decision criteria of the aforementioned zones for potential applicants' reference. Due to such success, this approach will be followed in this dissertation.

CHAPTER 4

HYPOTHESES AND METHODOLOGY

Hypotheses

With the availability of planning applications statistics collected from the Planning Department, it is possible for us to evaluate development controls empirically in Hong Kong (Lai and Fong 2000). This evaluation shall be conducted with reference to seven refutable hypotheses regarding development proposals for CDA zones:

Hypothesis I: The probability of obtaining planning approvals for an application for uses in CDA zones is the same in all broad regions (namely HK, KLN, NT, RURAL, and DPA).

Hypothesis II: Planning applications for uses in old urban areas do not have a higher chance of being approved than those in the New Towns or Rural Areas.

Hypothesis III: The probability of obtaining planning approvals for container backup uses (CONT) in CDA zones is lower than for other uses.

Hypothesis IV: The probability of obtaining planning approvals for open storage uses (OS), other than for container backup uses in CDA zones, is lower than for other uses.

Hypothesis V: Planning applications for uses in larger sites (measured in terms of the proposed GFA of the building or use) have no greater chance of approval by the TPB than those for uses in smaller sites.

Hypothesis VI: The probability of obtaining planning permission for all uses in CDA zones is the same for applications made by quasi-autonomous non-government organizations (QUONGOs) and private applicants.

Hypotheses VII: Planning approvals are insensitive to changes in exogenous government policies towards development; planning applications decided on or after 7th October 1999 (when a major exogenous government policy on urban redevelopment was announced) are not more likely to be approved by the TPB than those decided before that date.

Interpretation of Hypotheses

Hypothesis I tests whether location is one of the decisive criteria for the TPB when it decides on planning applications. In this dissertation, Hong Kong is divided into five broad regions, namely Hong Kong Island (HK), Kowloon (KLN), areas covered by DPA Plans (DPA), New Towns (NT), and rural areas in the New Territories outside the New Towns (RURAL). Currently, there are two planning committees, namely the Metro Planning Committee (MPC) and the Rural and New Town Planning Committee (RNTPC), which were set up under the Town Planning Ordinance. The jurisdiction of the former covers Hong Kong and Kowloon, while the latter covers the New Towns and rural areas.

Planning applications are approved by either of the two committees mentioned above. Their judgments on the concern towards the shortfall in uses applied for are different. Hence, there will be variations in the decisions made for various locations.

Hypothesis II tests whether there are variations in the granting of permission to planning applications for various locations (degree of urbanization). CDA zones are intended to facilitate urban renewal and the restructuring of land uses in the old urban areas, and phase out non-conforming uses in the rural areas. Therefore, planning applications for

Hong Kong Island, Kowloon, and the New Towns, which are urban areas, are more likely to be approved than those in the less urbanized rural areas.

If either Hypothesis I or II is refuted, it means that the TPB considers location when it makes decisions. If neither Hypothesis I nor II is refuted, we can conclude that there are no differences location-wise in the decisions of the TPB.

Hypotheses III and IV pertain to the relative strength of the government's land policy to accommodate specific uses on one hand and the government's planning policy against development for certain uses on the other hand. Lai and Ho (2001a, b, c, d, 2003) found that in the planning application system, the TPB has certain implicit preferences for applications for certain uses in the same zones or certain zones for the same uses. In addition, CDA zones provide incentives for facilitating a phase-out of incompatible development and non-conforming uses, such as open storage and container backup uses in rural areas. However, container back-up uses is under the Column II uses of Open Storage in the Schedule of Uses in OZP. As to identify them, the Open Storage uses under analysis would exclude container back-up uses (i.e. container storage, container vehicle parking, or container related uses); in other words, container back-up uses would include container storage, container vehicle parking, or container related uses. In this

way, it would allow us to clear test the preference of the in making decision upon planning applications on CDA zones for Open Storage Uses and Container back-up Uses. So, Hypotheses III and IV test whether the TPB has an implicit bias towards specific uses (container backup uses and open storage) when it decides on planning applications. If both Hypotheses III and IV are refuted, it would indicate that the uses applied for are not an important factor in the TPB's decisions on planning applications. Hence, open storage and container backup uses would not be associated with a lower chance of being approved than other uses. However, it would also show that the TPB has no intention of restricting these uses in order to restructure obsolete areas and phase out unsuitable uses. If either Hypothesis III or IV is not refuted, it would suggest that the TPB has an implicit bias in specific uses when it decides on planning applications for CDA zones. It would try to disallow these specific uses within CDA zones in order to restructure the obsolete areas.

The concept of CDA zoning is to comprehensively develop or redevelop areas for residential and/or commercial use with the provision of open spaces and other supporting facilities. Obviously, the larger the site, the higher its chances of incorporating public facilities into the development, restructuring land uses, and optimizing development potential. Fragmented land ownership will affect the prospect of implementing CDA zones.

Therefore, CDA zones aim to prevent piecemeal development or redevelopment, which would preempt optimum comprehensive redevelopment and urban restructuring. However, the TPB claims that there is no hard and fast rule for determining if a site is sizable enough to warrant comprehensive development or redevelopment. Each site should be considered on its individual merits. Hence, Hypothesis V seeks to find out whether the different development scales of planning applications have different chances of being accepted by the TPB. If Hypothesis V is refuted, it would mean that the larger a site, the greater its chances of being approved. Although this would be consistent with the planning intention of CDA zoning, it would violate its prospects of implementation.

More importantly, Hypothesis V will test the relevance of the scale of development and the rent-seeking argument (Chau and Lai, 2004; Lai 1997a; Lai and Ho 2001a, b, c, 2002a, c, 2003) of the inherent bias of the planning permission mechanism in favour of larger developers. As a greater GFA involves more capital, it is a proxy for the involvement of a larger developer, which tends to be more resourceful in lobbying the planning authorities than a smaller one.

If Hypothesis V is refuted and a larger development stands a higher chance of success in planning applications, then there is *prima facie*

evidence for the existence of rent-seeking activities within the planning permission mechanism (Lai and Ho 2002d, 2003). If Hypothesis V is not refuted, then there is no *prima facie* evidence of rent-seeking behaviour as far as CDA zones are concerned.

The TPB is a statutory body. Its members are appointed by the Chief Executive under S2 (1) of the TPO. To a certain extent, the members of the Board are under the control of the Chief Executive. Also, the criteria for granting planning approvals are broad. There may be a chance that the Board is, in fact, under the remote control of the Chief Executive. Hypotheses VI and VII shall test this argument. They relate to the ownership of the land under application and the urban redevelopment policies of the government.

Hypothesis VI is concerned with whether land ownership is one of the considerations of the TPB when it approves planning applications. The TPB Guidelines for CDA zones (TPB, 1999) state that government sites intended for public housing development by the Housing Authority and sites covered by a Land Development Corporation (LDC) Development Scheme or an urban improvement scheme of the Hong Kong Housing Society are normally designated "CDA" zones to, *inter alia*, prevent piecemeal development/redevelopment. Moreover, sites along the stations of the

Kowloon Canton Railway Corporation (KCRC) and Mass Transit Railway Corporation (MTRC) are always designated 'CDA' zones. Hence, these quasi-autonomous, non-governmental organizations are required to apply to the TPB for planning permission.

In order to carry out the planning policies of these quasi-autonomous, non-governmental organizations, including facilitating urban renewal and restructuring land uses in the old urban areas, the TPB adopted a permission policy for these development applications. However, it claims that land ownership is not an overriding factor. Hypothesis IV is a test on the importance of quasi-autonomous non-governmental organizations in carrying out the planning policy. If Hypotheses VI is refuted, it would indicate that planning applications by quasi-autonomous non-governmental organizations have a higher chance of approval than those by private applicants. The TPB is not completely independent from other public sectors. If Hypotheses VI is not refuted, it would suggest that the TPB considers applications on their individual merits.

The TPB often claims that planning permissions are made on a 'case by case' basis, and it only considers the 'merits' of each case individually. But whether these merits refer to certain specific government policy or the past decisions of planning boards is questionable. In addition, the Chief

Executive stated in his 1999 Policy Address that, "Out of the existing 8,500 urban buildings which are over 30 years old, some 2,200 require redevelopment or extensive repairs of varying scale. In 10 years' time, the number of buildings over 30 years old will increase by 50%" (Government of the Hong Kong Special Administrative Region, 1999). The Chief Executive highlighted the increasing need for urban renewal by emphasizing the urgency of taking a new and more proactive urban renewal approach to bring about real improvements to the living conditions of residents in dilapidated areas. He announced a new and proactive approach to urban renewal with the establishment of the Urban Renewal Authority to supersede the Land Development Corporation and implement the government's urban renewal strategy.

As the TPB is empowered to designate sites covering an LDC or URA Redevelopment Scheme (or an urban improvement scheme of the Hong Kong Housing Society) as CDA zones and grant application permission for development on sites, it should have adopted a permission policy towards development applications to assist the government's urban renewal policy. Therefore, Hypothesis VII will evaluate the factual implementation of the policy intention of the Chief Executive regarding expediting the development approval process in Hong Kong. It will test whether the TPB is responsive to exogenous regional policies or depends on professional

planning criteria made by planners. If Hypothesis VII is refuted, then we can say that the TPB is sensitive to exogenous urban development policies. Whether the TPB reacts against or in support of these policies depends on the sign of each estimate. If Hypothesis VII is not refuted, then we may argue that the TPB is insensitive to exogenous urban development policies.

Hypotheses VI and VII are related. If neither Hypothesis VI nor VII is refuted, then planners can claim that town planning decisions are based on pure professional judgment on the individual merits of each application on a case-by-case basis because the TPB's decisions, after the relevant internal planning policies and standards are applied, can then be substantiated. The TPB is an autonomous body that not constrained by external political influence for this class of zones. If any or all of these two hypotheses is refuted, then we can argue that town planning decisions are contingent on wider political and economic considerations rather than the espoused policies and standards generated by town planners.

Model Specification – Probit Model

Following the methodology of modeling a dichotomous dependent variable used by various researchers (Chau and Lai, 2004, Lai and Ho 2001a, b, c, d; 2002a, b, c; 2003; Yung, 2004; Lai *et al* 2006a, b; Lee and Trost 1978), the seven hypotheses in this dissertation will be analyzed by an econometric probit model. The probit model for analyzing the determinants of the choice between two discrete alternative planning application cases for approval and rejection are specified as 1 and 0, respectively. A unique variation of the binary qualitative responses model is defined in the following equation:

$$p(y_i = 1) = F(x_i^T \beta_0), \qquad i = 1,2,...,n, \tag{3.1}$$

where $\{y_i\}$ is a sequence of independent binary random variables having the value of 1 or 0, for approval and rejection, respectively, x_i is a K-vector of known constants, β_o is a K-vector of unknown parameters, and F is a certain know function, which describes the distribution probability of the approval and rejection events.

It would be more general to specify the probability as $F(x_i, \beta_o)$, but the specification (3.1) is the most common. As in the linear regression model, specifying the argument of F as $x_i' \beta_o$ is more general than it would seem

because the elements of x_i can be transformed from the original independent variable (Amemiya 1986). To a certain extent, a general non-linear function of the original independent variables can be approximated by $x_i' \beta_o$, and the choice of F is not critical as long as it is a distribution function. An arbitrary distribution function could be attained by choosing an approximate function H in the specification F[H($x_i' \beta_o$)].

The functional forms of f can be used in the application of the linear probability model, probit model, and logit model. The probit model of a planning application can be specified in the equation below:

$$(3.2) \qquad p(x_{\alpha 1}, x_{\alpha 2}, ..., x_{\alpha j}) = F(\beta_0 + \beta_1 x_{\alpha 1} + ... + \beta_j x_{\alpha j})$$

$$= \frac{1}{(2\pi)^{1/2}} \int_{-\infty}^{\beta_0 + \beta_1 x_{\alpha 1} + ... + \beta_j x_{\alpha j}} \exp\left(\frac{-t^2}{2}\right) dt,$$

or equivalently:

$$(3.3) \qquad F^{-1}\left[p\left(x_{\alpha 1}, x_{\alpha 2}, ..., x_{\alpha j}\right)\right] = \beta_0 + \beta_1 x_{\alpha 1} + ... + \beta_j x_{\alpha j}.$$

Since the dependent variable y_i is unobservable, the Ordinary Least Squares (OLS) Method could not be used, so we chose the Maximum

Likelihood Method here. There are only two possible outcomes in this case, approval (y=1) or rejection (y=0), and all town planning applications are independent of each other. Therefore, we can apply binomial distribution to determine the likelihood of a particular event.

The probability of a successful planning application is modeled as a function of the specific use applied for, the proposed GFA, and locations. Let $\mathbf{x_{\alpha 1}, x_{\alpha 2},\ldots, x_{\alpha j}}$ be the values taken by these variables for the αth planning application.

To estimate the parameters $\boldsymbol{\beta_0, \beta_1, \beta_2,\ldots, \beta_j}$, we should apply the Maximum Likelihood Method. The observations are arranged in such a way that the first n' applications are approved by the TPB and the last n-n' applications are rejected. Then, the logarithmic likelihood function can be written as:

$$\sum_{\alpha=1}^{n'} \ln p\left(x_{\alpha 1}, x_{\alpha 2},..., x_{\alpha j}\right) + \sum_{\alpha=n'+1}^{n} \ln\left[1 - p\left(x_{\alpha 1}, x_{\alpha 2},..., x_{\alpha j}\right)\right] \quad (4.4)$$

Where each $p(x_{a1}, x_{a2}, \ldots, x_{aj})$ is similar to the form contained in Equation (4.2), and is thus a function of $\boldsymbol{\beta_j}$ By differentiating Equation (4.4) with respect to these parameters and equating the derivatives to zero, non-linear

equations are obtained from which estimates can be derived numerically by an iterative procedure (Theil, 1971). As we never know what the exact values of $\boldsymbol{\beta_j}$ are, Maximum Likelihood is used to find the set of values of $\boldsymbol{\beta_j}$ that can maximize the probability of a particular observation.

Since it can be shown that the Log Likelihood equation is globally concave (i.e., there will be only one maximum), we can use the iterative procedure to converge our estimations to the single maximum (Amemiya 1981). Then, attempts are made to improve on this guess by adding a vector of adjustment. The process ends until there is convergence (Long 1997).

All the above calculations can be facilitated by a suitable computer program, such as EView, which would be used in this dissertation for performing the estimation.

Data Description

The data utilized in the empirical analysis to develop the probit model was extracted manually[8] from the records of all the planning applications in the CDA zones from the data base of the Planning Department from 1980 to 2005. It included the latest planning applications made in 2005. Altogether,

[8] The data was extracted during the period December 2001 to September 2005 from the Planning Department.

26 years of planning applications were used for the writing of this dissertation.

The information available for analysis included: (a) the number of the OZPs, (b) location, (c) lot number, (d) zoning, (e) use(s) applied for, (f) application status, (g) meeting dates, (h) decisions (i.e., whether it was approved/rejected), (i) application dates, (j) site areas, (k) existing GFAs, (1) proposed GFAs, (m) whether it was a redevelopment or a change of use, etc. for each planning application following the standards of Lai and Fong (2000).

A total of 994 observations between 1 Jan 1980 to 31 August 2005 were used for the empirical tests. Long (1997) proposed that at least ten observations per parameter was reasonable, and that there should be a minimum of 100 samples to run the Maximum Likelihood Test. As there were fewer than ten parameters and more than 100 samples, the data set was large enough to run our tests.

The Dependent Variable

This is the decision of the TPB (i.e., the result of the planning application). In the data set of the Planning Department, the decisions were divided into approved (A), approved with conditions (AC), approved temporally (AT) or (AX), delayed (D), and rejected (R) or revoked. In our

model, it is a dummy variable that equals 1 if an application is approved (with or without conditions), and 0 if it is rejected. In cases of delay, in which no decision was made, applications were not considered by the author and therefore excluded from the data set.

Apart from S.16 applications, there were also S.17 applications, appeals, and renewal applications. However, only the latest application for each lot was taken into account to avoid double counting (Anderson 1981; Sellgren 1990). For example, if a S.16 application was rejected by the TPB and an appeal was later submitted, only the appeal will be counted and the prior S.16 application will be ignored.

The Independent Variables

Location Dummies

Location dummy variables were defined to compare the locations. As mentioned before, according to the types of plan and the geographic location of land, all applications can be categorized into five areas, Hong Kong Island, Kowloon, New Towns, DPA and Rural areas. Table 4 shows these five categories of applications by location for different uses in CDA zones. However, as shown in Table 4, there are only four observations in the location categoriy “DPA”. Therefore, “DPA” was not made into a separate

dummy variable, so only three location variables were employed as follows:

HK = 1 If the site under application was located on Hong Kong Island
0 If otherwise

KLN = 1 If the site under application was located in Kowloon
0 If otherwise

NT = 1 If the site under application was located in the New Towns
0 If otherwise

Table 4 Number of successful applications for uses in CDA Zones by location

Location	Approvals	Total	Success Rate (%)
Hong Kong Island	153	179	85.5%
Kowloon	203	224	90.6%
DPA	4	4	100.0%
New Towns	285	334	85.3%
Rural Area	192	253	75.9%
Total	**837**	**994**	**84.2%**

"Use" Dummies

The 'Use' dummies represent the different types of use applied for by developers. Office Uses (OFF with 145 applications), Commercial Uses (COM with 323 applications), Residential Uses (RES with 406 applications), Hotel Uses (HOTEL with 130 applications), Container backup uses (CONT with 52 applications), Open storage other than container backup uses (OS

with 90 applications), Village Type House (VTH with 16 applications), and School Uses (SCHOOL with 93 applications) are the eight major uses in CDA zones for the period of study. Therefore, eight 'Use' dummies of the most commonly applied uses in CDA zones (OFF, COM, RES, HOTEL, OS, CONT, VTH, and SCHOOL) were employed. It was expected that they had different chances of getting approval due to their different effects on the CDA zones. Hence, eight dummy variables were set for the analysis as follows:

OFF	=	1	if the applied use was office
		0	If otherwise
COM	=	1	If the applied use was commercial
		0	If otherwise
RES	=	1	If the applied use was residential
		0	If otherwise
HOTLE	=	1	If the applied use was hotel
		0	If otherwise
OS	=	1	If the applied use was open storage
		0	If otherwise
CONT	=	1	If the applied use was container storage, container vehicle parking, or container related
		0	If otherwise
VTH	=	1	If the applied use was village-type house
		0	If otherwise
SCHOOL	=	1	If the applied use was school
		0	If otherwise

Gross Floor Area (GFA)

GFA represents the proposed gross floor area (in square metres) of a site under application. The GFA of a development is calculated by multiplying the site area by the plot ratio. In the case of information missing from the GFA, if an application does not involve any building such as open storage, containers, warehouses, and car parks, the GFA will be assumed to equal the site area. This assumption is possible because the plot ratio factor is inapplicable here. On the other hand, if buildings are involved, then the applications will be excluded from the analysis, as there is no way to estimate their GFA.

Due to the limitations of the unknown scale of final development during the application stage, the proposed GFA will be used as a rough indicator for the scale of the final development similar to most previous studies (Tang and Choy 2000, Tang, *et al*. 2000; Lai and Ho 2001a, b, c, 2002b, c, 2003).

The Quasi-Autonomous Non-Governmental Organization (QUANGO)

QUANGO refers to a Quasi-Autonomous Non-Governmental Organization. Under the Personal Data (Privacy) Ordinance,[9] details about individual developers or consultants are no longer disclosed to the public. In

[9] Cap. 486, Laws of Hong Kong.

order to find out whether an applicant is from the private or public sector, the author examined the locations or uses applied for in the sites under application. She found that all developments under the urban renewal scheme of the Urban Renewal Authority (formerly known as the Land Development Corporation) were zoned under the Outline Zoning Plans, with the LDC as an indication, or noted if it was an LDC or URA redevelopment scheme in each application. Moreover, from the locations or uses applied for, we can identify if the project applications were from the KCRC or the MTRC. We can also identify the public housing developments of the Housing Authority and Housing Society. Therefore, all applications with the characteristics mentioned above would be classified QUANGO, which equals 1. Applications by private development agencies would equal 0.

Government Land Use Policy

To test whether the probability of obtaining planning approval for CDA zones is the same for all applications no matter if they were decided before or after the Chief Executive's 1999 Policy Address (7th October, 1999), we defined a time dummy variable Policy_1999 by:

Policy_1999 = 1 if the meeting date of the case was after 7th October, 1999
0 If otherwise

CHAPTER 5

EMPIRICAL RESULTS AND INTERPRETATION

Empirical Aggregate Studies

Before the application of our probit model, we conducted a preliminary study using the aggregate approach to calculate the success rates of planning applications for different uses and the proposed GFA in CDA zones by simply dividing the number of approved applications by the total number of applications. We also employed case studies to analyse the factor of proposed GFA.

In CDA zones, one can apply for many types of use, as mentioned in the previous chapter. Table 5 shows the average success rates of different types of use applied for. The average success rate was calculated by dividing the total number of successful applications for each proposed use by the total number of planning applications for that particular use.

Table 5 showed that the average success rate for the uses of school, office, hotel, commercial, and residential (not include Village Type House) was over 80%. This shows that planning permissions for these uses had a very high chance of TPB approval. On the other hand, the average success

rate for open storage and container backup uses was just over 60%. This meant that it was

more likely that an application for these uses will be rejected by the TPB, as it aims to phase out these incompatible or non-conforming uses. This result was consistent with our hypothesis. Surprisingly, the success rate for Village Type House was 50%, which had the lowest chance of being approved by the TPB.

Table 5 Number of successful applications for applied use in CDA Zones

Empirical Aggregate Studies (1980-2005)	
Applied Use	Success Rates %
School	88.2%
Office	86.2%
Hotel	83.8%
Commercial	83.6%
Residential	80.3%
Container	63.5%
Open Storage	63.3%
Village Type House	50.0%

Table 6 shows the success rates of planning applications by proposed GFA (in square meters) for uses in CDA zones. We noticed that the success rate increased with an increase in the proposed GFA. The success rate for sites with a proposed GFA of lower than 10,000 square meters was only 74.1%, while that for sites with a proposed GFA of larger than 50,000 was 91%.

Table 6 Number of successful applications for uses in CDA Zones by proposed GFA

Proposed GFA	Approvals	Total	Success Rates %
Smaller than 5,000 sq. m.	86	116	74.1%
5,000 sq. m. to 50,000 sq. m.	160	183	87.4%
Larger than 50,000 sq. m.	417	458	91.0%
N/A	174	237	73.4%
Total	**837**	**994**	**84.2%**

Besides, in some cases, planning permission was requested for some sites, either individually or jointly with other sites. The results of these applications are shown in Table 7. Applications for sites with larger site areas and proposed GFAs were approved. In all the rejected cases, avoiding piecemeal development within CDA zones was one of the reasons for rejection by the TPB. For example, a site on Cadogan Street, Kennedy Town (site area: 358 square metres and proposed GFA: 2,997 square metres)[10] and a neighbouring site located on Catchick Street and Davis Street (site area: 340 square metres and proposed GFA: 4,246 square meters)[11] were each intended for residential development, but were rejected. In both cases, one reason for the rejection was that the planning intention for the CDA zone was for a comprehensive redevelopment of the whole CDA area.

[10] Planning Application Case: A/H01/014.

[11] Planning Application Case: A/H01/048.

Piecemeal development within the CDA zone would have defeated this intention. On the other hand, when applications for both sites were made again, together with applications made for various other lots (total site area: 6,072 square metres and proposed GFA: 70,094 square metres),[12] they were approved with conditions by the TPB. The above evidence indicates that the larger the site, the greater its chances of being approved by the TPB, as it intends to avoid planning blight caused by piecemeal individual development within CDA zones.

Although we may use the above technique to evaluate our hypotheses by analyzing the aggregate success rates of different uses and development scales, the aggregate method used to calculate the average success rate was not comprehensive. There are limitations for the aggregate approach (Brotherton 1982, 1992a, b; McNamara and Healey 1984; Buller and Hoggart, 1985; Larkham 1986, 1988, 1990a; Preece 1990; Sellgren 1990; Lai and Ho 2001d). First, it cannot reveal the significance of the success rates of specific uses relative to those of other types of use. In addition, the average success rate does not reveal the importance of the independent variables on the dependent variable (i.e., the decision). Therefore, it is not appropriate to draw any conclusion from the results of aggregate analysis.

[12] Planning application case: A/H01/051.

Table 7 Planning application cases at different development scale but same location

Ref.	Case No.	Address	Site Area (in sq. m.)	Proposed GFA (in sq. m.)	Decision
1a	A/H01/051	Davis St., Catchick St., Cadogan St., and Kennedy Town New Praya, Kennedy Town	6,072	70,094	Approved with conditions
1b	A/H01/014	Cadogan St., Kennedy Town	358	2,997	Rejected
1c	A/H01/048	Catchick St. and Davis St., Kennedy Town	340	4,246	Rejected
2a	A/H05/292	Wan Chai Rd/Tai Yuen St., wan Chai	6,478	71,474	Approved with conditions
2b	A/H05/279	Wan Chai Rd., Wan Chai	269	4,033	Rejected
3a	A/K03/337	Argyle St., Portland St., Shantung St., and Reclamation St.	15,900	169,545	Approved with conditions
3b	A/K03/240	Reclamation St., Mong Kok	363	5,816	Rejected
3c	A/K03/229	Reclamation St., Mong Kok	132	101	Rejected
4a	A/YL-PS/012	Hung Shui Kiu, Yuen Long	36,300	113,260	Approved with conditions
4b	A/YL-PS/050	Hung Shui Kiu, Yuen Long	560	765	Rejected
4c	A/YL-PS/219	Hung Shui Kiu, Yuen Long	198.8	198.8	Rejected

Probit Analysis

The probit model offers a more comprehensive analysis. Hence, this econometric model, with non-aggregate data, will be applied in the empirical study. Ninety-one observations were excluded by the computer programme EView automatically due to missing GFAs. As a result, a total of 903 sets of data were tested. Table 8 shows the results after all the variables were inserted into the equation linearly for probit analysis.

In line with previous studies, the log function was applied to variable GFAs (Chau and Lai 2003, Lai and Ho 2001a, b, d; 2002b, c; 2003), and the results are shown in Table 9. It should be noted that they are similar to those using the linear equation, but in the form of log(GFA), the McFadden R-squared value deteriorated from 0.072900 to 0.069712. Therefore, the linear equation contained the most significant variables and had the highest McFadden R-squared value. It was regarded as the optimal equation of all the data available.

Table 8 Probit Results for all variables with linear relationship

Dependent Variable: DECISION
Method: ML - Binary Probit
Date: 12/10/06 Time: 16:03
Sample(adjusted): 1 994
Included observations: 903
Excluded observations: 91 after adjusting endpoints
Convergence achieved after 11 iterations
Covariance matrix computed using second derivatives

Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	0.985535	0.163041	6.044705	0.0000
HK	0.149582	0.209792	0.713003	0.4758
KLN	0.080874	0.200207	0.403954	0.6862
NT	0.063896	0.166074	0.384742	0.7004
OFF	-0.201790	0.198521	-1.016469	0.3094
COM	-0.149892	0.142465	-1.052129	0.2927
RES	0.014572	0.149381	0.097549	0.9223
HOTEL	0.176391	0.202378	0.871593	0.3834
OS	-0.306196	0.204854	-1.494704	0.1350
CONT	-0.678063	0.232102	-2.921404	0.0035
VTH	-1.028683	0.306416	-3.357146	0.0008
SCHOOL	0.044293	0.202243	0.219007	0.8266
GFA	1.30E-06	5.18E-07	2.500267	0.0124
QUANGO	0.246740	0.186956	1.319780	0.1869
POLICY_1999	0.066618	0.197652	0.337047	0.7361

Mean dependent var	0.844961	S.D. dependent var	0.362142
S.E. of regression	0.352566	Akaike info criterion	0.830818
Sum squared resid	110.5052	Schwarz criterion	0.905325
Log likelihood	-361.1143	Hannan-Quinn criter	0.859276
Restr. log likelihood	-389.5096	Avg. log likelihood	-0.399905
LR statistic (13 df)	56.79063	McFadden R-squared	0.729000
Probability(LR stat)	1.95E-07		

Obs. with Dep=0	140	Total obs.	903
Obs. with Dep=1	763		

Table 9 Probit Results for all variables with log (GFA)

Dependent Variable: DECISION
Method: ML - Binary Probit
Date: 01/17/06 Time: 16:04
Sample(adjusted): 1 994
Included observations: 903
Excluded observations: 91 after adjusting endpoints
Convergence achieved after 4 iterations
Covariance matrix computed using second derivatives

Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	0.280487	0.321022	0.873730	0.3823
HK	0.117738	0.208708	0.564129	0.5727
KLN	0.066366	0.199992	0.331845	0.7400
NT	0.029549	0.166340	0.177644	0.8590
OFF	-0.246408	0.196664	-1.252940	0.2102
COM	-0.174751	0.147690	-1.183225	0.2367
RES	-0.051504	0.157876	-0.326228	0.7443
HOTEL	0.147620	0.202600	0.728629	0.4662
OS	-0.285009	0.204700	-1.392327	0.1638
CONT	-0.716676	0.232781	-3.078755	0.0021
VTH	-0.808361	0.318225	-2.540216	0.0111
SCHOOL	0.158471	0.198919	0.796658	0.4256
LOG(GFA)	0.087696	0.033848	2.590868	0.0096
QUANGO	0.303140	0.183506	1.651934	0.0985
POLICY_1999	0.089916	0.194787	0.461611	0.6444

Mean dependent var	0.844961	S.D. dependent var	0.362142
S.E. of regression	0.352553	Akaike info criterion	0.833568
Sum squared resid	110.4967	Schwarz criterion	0.908076
Log likelihood	-362.3561	Hannan-Quinn criter.	0.862026
Restr. log likelihood	-389.5096	Avg. log likelihood	-0.401280
LR statistic (13 df)	54.30702	McFadden R-squared	0.697120
Probability(LR stat)	5.34E-07		

Obs. with Dep=0	140	Total obs.	903
Obs. with Dep=1	763		

Interpretation of Analysis Results

None of the three location variables, HK, KLN, and NT, was significant, indicating that location was not important to the TPB when it decides on a planning application. Hence, Hypothesis I was not refuted.

As the coefficients of all location variables were not significant, we can say that Hong Kong's more urbanized areas (Hong Kong Island, Kowloon, and the New Towns) did not have a higher chance of being approved than less urbanized Rural Areas. Hence, Hypothesis II was not refuted.

The eight major uses were tested to compare their chances of being approved in CDA zones. Out of the eight variables, only 'VTH' and 'CONT' were significant at the 1% level. The coefficients of these two variables were all negative, indicating that applications for the uses of container storage, container vehicle parking, other container related use, or the use of Village Type House had a lower probability of obtaining permission than other uses in CDA zones. This was consistent with the aggregate analysis. Hence, Hypothesis III was not refuted. The TPB avoided planning blight caused by the withholding of container backup uses within a CDA zone.

Surprisingly, the coefficient of 'OS' was not significant. This indicated that the TPB does not discriminate against applications for open storage uses, and meant that it does not intend to phase out these incompatible and non-conforming uses. This will, however, slow down the restructuring of obsolete areas due to the open storage of building construction materials, second-hand vehicles, electric appliances, used plastic ware, etc. The results for OS from the probit analysis contradicted the aggregate results. Hence, Hypothesis IV was refuted, as planning applications for open storage have the same chance of obtaining approval as other uses.

The fact that Hypothesis III was not refuted, while Hypothesis IV was refuted, showed that the TPB was inconsistent in its decisions. Phasing out both open storage and container backup uses in the rural areas is what it intends to achieve in CDA zones. However, it did not apparent implement this intention.

GFA was significant at the 5% level, and had a positive coefficient, indicating that the larger the scale of a development, the greater its chances of obtaining permission for applications for uses in CDA Zones. This is not surprising, as the concept of a comprehensive development area is to prevent piecemeal development and ensure that lands will be developed in a

'comprehensive' manner. In other words, the larger the site, the better it can incorporate public facilities and infrastructure into its development and the more 'comprehensive' the development would be. Therefore, Hypothesis V was refuted because it was consistent with the aggregate results.

In other words, there is *prima facie* evidence to support the argument that the TPB practices rent-seeking activities. Development projects with larger GFAs usually involve larger developers and more capital. These more resourceful developers have the advantages of having higher approval rates from the TPB for planning applications in CDA zones. Here, we have statistical evidence to show that the TPB's decisions may be influenced by rent-seeking motives, and that is why it prefers larger developments in CDA zones.

The variable of 'QUANGO' was not significant, suggesting that the TPB does not discriminate in favour of applications made by Quasi-Autonomous Non-Government Organizations. Hence, Hypothesis VI was not refuted. Land ownership of a site is not an overriding factor in decisions on planning applications. Moreover, the variable 'POLICY_1999' was not significant, indicating that the TPB's decisions on planning applications in CDA zones are generally not responsive to exogenous government policies. In the other words, Hypothesis VII was refuted.

As both Hypotheses VI and VII were not refuted, it is reasonable to conclude that town planning decisions are based purely on professional judgments on the individual merits of each application on a case–by-case basis, in addition to the application of the relevant internal planning policies and standards of the TPB.

CHAPTER 6

CONCLUSION

Conclusion

This dissertation aimed to study rigorously the decision making criteria of the TPB on planning applications in the context of CDA zones. By setting out five refutable hypotheses, the author wanted to see whether certain factors led to a higher or lower probability of an application being approved.

With the aid of probit analysis, the author examined a total of 994 sets of planning application non-aggregate data in CDA zones from 1 January 1980 to 31 August 2005 to study the decision criteria of the TPB when it grants planning permission. These factors included three location variables, eight major applied uses, GFA, public sector and private applicants, and government policy.

The results of the probit analysis showed that there are some statistic patterns for town planning applications. The author found that two of the major applied use variables, VTH and CONT, were both negatively significant at the 1% level. This indicated that the attitude of the TPB

differed when it faced applications for Village Type Houses and container related uses in CDA zones. It tended not to favour these two uses.

On the other hand, the coefficient of GFA was positively significant at the 5% level. Larger-scale developments appeared to have a higher probability of being approved than smaller ones. The results were consistent with the empirical aggregate results. This proved that there might have been rent-seeking behaviour in the development control mechanism.

Other variables, including three locational factors (Hong Kong, Kowloon, and the New Towns), six applied uses (office, commercial, residential, hotel, open storage, and school), quasi-autonomous non-government organization applicants, and government policies, were found to be not significant at the 5% level, indicating that the TPB was not responsive to location, political factors, exogenous government policies, and the applications for the six uses mentioned above.

Limitations and Further Study

In this dissertation, the author attempted to analyse the decision making criteria of the TPB using probit analysis with respect to development controls in CDA zones in Hong Kong. However, there were some limitations in this study.

First, it shall be noted that in CDA zones, an application usually involves more than one use. This was indicated by the fact that the total number of uses (1,393) far exceeded the total number of applications (994). This, to some extent, blurred the distinctions between various land uses.

In terms of data collection, there was missing information from the data base of the Planning Department, so some incomplete data sets were excluded from the empirical analysis. Out of the 994 observations collected from the Planning Department, 91 sets were excluded due to the lack of GFA. The results would probably have been more accurate had the missing information been available. Moreover, some factors were not considered due to data deficiencies and resource limitations.

It is important to not overhype the findings as the general feature of planning control in Hong Kong, as this study focused on CDA zones only. Nevertheless, it identified new research areas and posed interesting questions about the issues of planning certainty and flexibility, the relationship between planning and government policies, and the interaction between government departments. It is hoped that such questions can initiate further studies that will make planning research more fruitful.

The equation and variable for probit analysis were designed mainly to test the five hypotheses of development controls in this dissertation. There is no doubt that plenty of areas in this field remain to be studied, but were not included here. For example, Tang and Choy (2000) tested, by incorporating the variable and the number of prior applications made on the site to see whether the submission of previous applications for each site increased their chances of gaining permission. This was not attempted in this dissertation.

Furthermore, the impact of economic conditions on development controls, as investigated by Lai and Ho (2001b, c, 2003 and Lai *et al*, 2006b), is also important. However, this was not the main concern of this dissertation. The author concentrated on political conditions, not economic conditions. These studies can be carried out, if necessary, to familiarize us with the behaviour of the TPB towards planning applications in CDA zones.

Last, in interpreting the probit analysis in this dissertation, the author only considered the directions, but not the magnitudes, of the coefficients. This implied that the degrees of the effects of the independent variables on the dependent variables were not examined, as this was beyond the scope of this dissertation. If researchers are interested in finding out the different extents of the impacts of these variables, they should examine the magnitudes of the coefficients in detail.

Only a limited number of possible considerations were investigated in this dissertation on development controls in CDA zones. Similar issues in other zones are also worth examining. It is hoped that this empirical analysis can provide some rigorous and meaningful factual statements for further research on development controls in Hong Kong.

APPENDIX I

NUMBER OF TOTAL AND SUCCESSFUL APPLICATIONS BY YEAR OF PLANNING APPLICATION FOR USES IN CDA ZONES

Year	Approvals	Total	Success Rates %
1980	1	1	100.0%
1981	2	2	100.0%
1982	1	3	33.3%
1983	1	5	20.0%
1984	6	7	85.7%
1985	7	7	100.0%
1986	7	8	87.5%
1987	7	10	70.0%
1988	10	14	71.4%
1989	9	12	75.0%
1990	16	18	88.9%
1991	6	19	31.6%
1992	12	26	46.2%
1993	12	17	70.6%
1994	31	40	77.5%
1995	22	26	84.6%
1996	34	45	75.6%
1997	46	60	76.7%
1998	60	78	76.9%
1999	78	83	94.0%
2000	99	104	95.2%
2001	56	74	75.7%
2002	97	106	91.5%
2003	77	90	85.6%
2004	55	59	93.2%
2005	64	80	80.0%
Total	**816**	**994**	**82.1%**

APPENDIX II

TOWN PLANNING BOARD GUIDELINES FOR DESIGNATION OF "COMPREHENSIVE DEVELOPMENT AREA" ("CDA") ZONES AND MONITORING THE PROGRESS OF "CDA" DEVELOPMENTS

TPB PG-NO. 17

TOWN PLANNING BOARD GUIDELINES FOR DESIGNATION OF "COMPREHENSIVE DEVELOPMENT AREA" ("CDA") ZONES AND MONITORING THE PROGRESS OF "CDA" DEVELOPMENTS

(Important Note:

The Guidelines are intended for general reference only.

Any enquiry on this pamphlet should be directed to the Planning Information and Technical Administration Unit of the Planning Department, 17th Floor, North Point Government Offices, 333 Java Road, North Point, Hong Kong - Tel No. 2231 5000.

The Guidelines are subject to revision without prior notice.)

1. Introduction

1.1 The "Comprehensive Development Area" ("CDA") zoning (or the previous "Other Specified Uses" annotated "Comprehensive Development/Redevelopment Area" zoning) was first introduced in Outline Zoning Plans (OZPs) in 1976 with the key objective to facilitate urban restructuring and to phase out incompatible development and non-conforming uses. The Town Planning Board (the Board) is empowered to designate an area as "CDA" under section 4(1)(f) of the Town Planning Ordinance (the Ordinance).

1.2 In general, "CDAs" are designated in the interest of the wider public although individual property owner's right would be taken into consideration. They are designated after careful consideration of such factors as the planning intention for the area, land status, ownership and other development constraints, including the likely prospect for implementation. They will only be designated where there are no better alternative zoning mechanisms to achieve the desired planning objectives specified in Section 3.1 below.

1.3 To avoid planning blight caused by the withholding of piecemeal individual developments within a "CDA" zone, the Board recognizes that there is a need for close monitoring of the progress of "CDA" development. A proactive approach is taken to facilitate development and to keep track on the progress of implementation of "CDA" sites.

2. Scope and Application

This set of Guidelines is adopted as reference for the designation of "CDAs" on statutory plans, as initiated by the Government, quasi-Government bodies as well as private development agencies, and for the subsequent monitoring of the progress of "CDA" developments.

3. Planning Intention

3.1 "CDAs" are intended to achieve such objectives as to:

a. facilitate urban renewal and restructuring of land uses in the old urban areas;

b. provide incentives for the restructuring of obsolete areas, including old industrial areas, and the phasing out of non-conforming uses, such as open storage and container back-up uses in the rural areas;

c. provide opportunities for site amalgamation and restructuring of road patterns and ensure integration of various land-uses and infrastructure development, thereby optimizing the development potential of the site;

d. provide a means for achieving co-ordinated development in areas subject to traffic, environmental and infrastructure capacity constraints, and in areas with interface problems of incompatible land-uses;

e. ensure adequate as well as timely provision of Government, institution or community (GIC), transport and public transport facilities and open space for the development and where possible, to address the shortfall in the district; and

f. ensure appropriate control on the overall scale and design of development in areas of high landscape and amenity values and in locations with special design or historical significance.

Land Status/Ownership/Tenure

3.2 Unallocated Government sites subject to modern land grant conditions, including those intended for public housing development to be implemented by the Housing Authority, would only be designated as "CDA" in special circumstances, where control on the design and layout of development is necessary because of special site constraints or the special character of the area.

3.3 Sites covered by a Land Development Corporation (LDC) Development Scheme or an urban improvement scheme of the Hong Kong Housing Society are normally designated "CDAs" to, inter alia, prevent piecemeal development/redevelopment which would pre-empt optimum comprehensive redevelopment and urban restructuring.

3.4 Since fragmented land ownership will affect the prospect of implementation of "CDAs", CDA sites involving private land, other than those of the LDC or the Housing Society, are normally expected to have a major portion of the private land under single ownership at the time of designation but each site will be considered on its individual merits. Since the designation may affect third party development/redevelopment right, the proponent would be required to indicate the land under his ownership and that he has plans to acquire the remaining portion for comprehensive development.

3.5 In the designation of "CDA" zoning land ownership should only be one of the considerations weighed against many other factors, such as, the need to facilitate urban renewal and restructuring of land uses in the old urban areas and to provide incentives for phasing out of incompatible and non-conforming uses. Particularly, in the case of the LDC development schemes and the urban improvement schemes of the Hong Kong Housing Society, where the mechanisms for land acquisition are available, land ownership will not be an overriding factor.

Prospect for implementation

3.6 There should be an indication on the likely prospect for implementation before a site is designated as "CDA". Information on land status and provision of supporting infrastructure should be provided, and preliminary assessments should be carried out to demonstrate the technical feasibility of the proposed development. If the designation is proposed by a development agency, the likely development programme should be indicated in the proposal for consideration by the Board.

Size

3.7 Obviously, the larger the site, the better the opportunity for incorporating public facilities in the development, restructuring of land uses including changes to road patterns, and optimization of development potential. There is, however, no hard and fast rule to determine whether a site is sizable enough to warrant comprehensive development or redevelopment. Each site should be considered on its individual

merits taking into account the planning intention for the area and the special characteristics of the site.

4. Development Parameters

4.1 In determining the boundary and development intensity of a "CDA" site, the existing land use pattern, the latest development requirements and the infrastructural capacity constraints in the area should be taken into account. Opportunities should be taken to incorporate, where appropriate, GIC facilities, open space, road widening, public transport and parking facilities and the provision of pedestrian linkages in the development.

4.2 Appropriate development mix and intensities would be specified in the Notes of the Outline Zoning Plan if the site is subject to various constraints, such as traffic and infrastructure capacities and environmental constraints. A Planning Brief would usually be prepared by the Planning Department to guide the development of the "CDA" site. Detailed planning requirements, including the provision of appropriate traffic and environmental mitigation measures, GIC, transport and public transport facilities and open space would be specified in the Planning Brief.

5. Mechanism for Monitoring

5.1 Frequent reviews of "CDA" zones would be required in order to achieve a close monitoring of the progress of development. The first review of each "CDA" site would be conducted at the end of the third year after its designation and subsequent reviews would be made on an annual basis.

"CDA" with no Approved MLP/Implementation Agency

5.2 At the end of the third year after the designation, priority would be given to review those "CDA" sites with no approved Master Layout Plan (MLPs) or for which no implementation agency can be identified. The following possible actions would be considered by the Board after the review to respond to changing circumstances:

a. to rezone to other uses the "CDA" sites which have significant implementation difficulties and slim chances of successful implementation;

b. to revise the planning and development parameters of the "CDA" sites, where appropriate, to improve the incentives for redevelopment and hence the chance for implementation;

c. to revise the zoning boundary in line with updated information on land status or ownership, or to subdivide the "CDA" into smaller "CDA" sites for development in phases to facilitate early implementation, where justified; and

d. to revise and update the planning briefs for "CDA" sites to reflect the changing requirements and circumstances.

"CDA" with Approved MLP

5.3 In order to keep track on the progress of implementation, the following monitoring mechanism is adopted by the Board:

a. should there be disagreements with the developer/agent on issues related to compliance with approval conditions, the relevant Government departments will be requested to report the issues to the Board; and

b. a proforma would be issued to and completed by the developer/agent on an annual basis to keep track on the progress of implementation

Allowance for Phased Development

5.4 For "CDA" sites which are not under single ownership, if the developer can demonstrate with evidence that due effort has been made to acquire the remaining portion of the site for development but no agreement can be reached with the landowner(s), allowance for phased development could be considered. In deriving the phasing of the development, it should be demonstrated that:

a. the planning intention of the "CDA" zone will not be undermined;

b. the comprehensiveness of the proposed development will not be adversely affected as a result of the revised phasing;

c. the resultant development should be self-contained in terms of layout design and provision of open space and appropriate GIC, transport and other infrastructure facilities; and

d. the development potential of the unacquired lots within the "CDA" zone should not be absorbed in the early phases of the development, access to these lots should be retained, and the individual lot owners' landed interest should not be adversely affected.

6. Re-designating "CDA" sites

6.1 In some cases, there may be merits to rezone "CDA" sites upon completion of development to other uses such as "Residential (Group A)", "Commercial", "Commercial/Residential", to provide flexibility in subsequent modification of uses within the development without the need for submission of a revised MLP. Through regular review of "CDA" sites, the Board would, taking the specific circumstances pertaining to each "CDA" site into account, give consideration to the case of re-designating completed "CDA" developments to other land use zoning.

6.2 In general, the consideration for re-designation would include the following aspects:

a. the planning intention of maintaining comprehensive control on the overall development of the area should not be undermined. For instance, if a "CDA" site is subject to environmental constraints and the layout of the development has to allow for the provision of a buffer against the environmental nuisances, the removal of the buffer will not be desirable;

b. in the case of mixed developments especially for a variety of uses sharing a common podium, a re-designation of different parts of the "CDA" site to various discrete land-use zonings may only be possible provided that the planning intention of each zone could be clearly reflected; and

c. if part of the site is excluded from the development zone and rezoned to, say "Open Space" or "Government, Institution or Community", it should be ensured that the resultant development intensities of the site will not be higher than those permitted under the Notes of the OZP or in the Building (Planning) Regulations.

6.3 In considering the re-designation of "CDA" sites, local views should also be taken

into account in order to avoid, as far as possible, unnecessary misunderstanding of the planning intention.<>

6.4 For "CDA" sites which cannot be re-designated, other measures are available to streamline the procedures for modification of uses within the completed development. For instance, some minor amendments to the approved MLP can be processed by the Director of Planning or the respective District Planning Officer under delegated authority of the Board on a fast-track basis. Reference should be made to the relevant Town Planning Board Guidelines.

Town Planning Board
May 1999

APPENDIX III

SCHEDULE OF USES FOR COMPREHENSIVE DEVELOPMENT AREA ZONES

COMPREHENSIVE DEVELOPMENT AREA

Column 1 Uses always permitted	Column 2 Uses that may be permitted with or without conditions upon application to the Town Planning Board
	Ambulance Depot[$] Commercial Bathhouse/Massage Establishment[$] Eating Place[$] Educational Institution[$] Exhibition or Convention Hall[$] Flat[$] Government Refuse Collection Point[$] Government Use (not elsewhere specified) [$] Hospital[$] Hotel[$] House[$] (other than rebuilding of a New Territories Exempted House or replacement of a existing domestic building with a New Territories Exempted House permitted under the covering Notes[$]) Information Technology and Telecommunications Industries[$] Institutional Use (not elsewhere specified) [$] Library[$] Market[$] Mass Transit Railway Vent Shaft and/or Other Structure above Ground Level other than Entrances[$] Off-course Betting Centre[$] Office[$] Petrol Filling Station[$] Pier[$] Place of Entertainment[$] Place of Recreation, Sports or Culture[$] Private Club[$] Public Clinic[$] Public Convenience[$] Public Transport Terminus or Station[$] Public Utility Installation[$] Public Vehicle Park (excluding container vehicle) [$] Recyclable Collection Centre[$] Religious Institution[$] Residential Institution[$] Research, Design and Development Centre[$] School[$] Shop and Services[$] Social Welfare Facility[$] Training Centre[$] Utility Installation for Private Project[$]

$ Uses within the "CDA" zone to be added or deleted according to the planning intention of individual sites. Uses added only where appropriate.

COMPREHENSIVE DEVELOPMENT AREA (cont'd)

Planning Intention

This zone is intended for comprehensive development/redevelopment of the area for residential and/or commercial uses with the provision of open space and other supporting facilities. The zoning is to facilitate appropriate planning control over the development mix, scale, design and layout of development, taking account of various environmental, traffic, infrastructure and other constraints.

Remarks

(a) Pursuant to section 4A(2) of the Town Planning Ordinance, and except as otherwise expressly provided that it is not required by the Town Planning Board, an applicant for permission for development on land designated "Comprehensive Development Area" shall prepare a Master Layout Plan for the approval of the Town Planning Board and include therein the following information:

(i) the area of the proposed land uses, the nature, position, dimensions, and heights of all buildings to be erected in the area;

(ii) the proposed total site area and gross floor area for various uses, total number of flats and flat size, where applicable;

(iii) the details and extent of Government, institution or community (GIC) and recreational facilities, public transport and parking facilities, and open space to be provided within the area;

(iv) the alignment, widths and levels of any roads proposed to be constructed within the area;

(v) the landscape and urban design proposals within the area;

(vi) programmes of development in detail;

(vii) an environmental assessment report to examine any possible environmental problems that may be caused to or by the proposed development during and after construction and the proposed mitigation measures to tackle them;

(viii) a drainage and sewerage impact assessment report to examine any possible drainage and sewerage problems that may be caused by the proposed development and the proposed mitigation measures to tackle them;

+ The remarks in brackets to be added in rural OZPs only

Remarks (cont'd)

(ix) a traffic impact assessment report to examine any possible traffic problems that may be caused by the proposed development and the proposed mitigation measures to tackle them; and

(x) such other information as may be required by the Town Planning Board.

(b) The Master Layout Plan should be supported by an explanatory statement which contains an adequate explanation of the development proposal, including such information as land tenure, relevant lease conditions, existing conditions of the site, the character of the site in relation to the surrounding areas, principles of layout design, major development parameters, design population, types of GIC facilities, and recreational and open space facilities.

Note: The assessment reports to be submitted should reflect the specific requirements of individual CDAs.

APPENDIX IV

DETAILED INFORMATION OF PLANNING APPLICATIONS FOR SITES IN SAME LOCATION BUT AT DIFFERENT DEVELOPMENT SCALE

Ref 1a
Case Number: A/H01/051

Detail information of Planning Application Case

General Information:

Case Number.:	**A/H01/051**
Use Applied for:	Proposed residentIal development with public open spaces and a public toilet (MLP Submission).

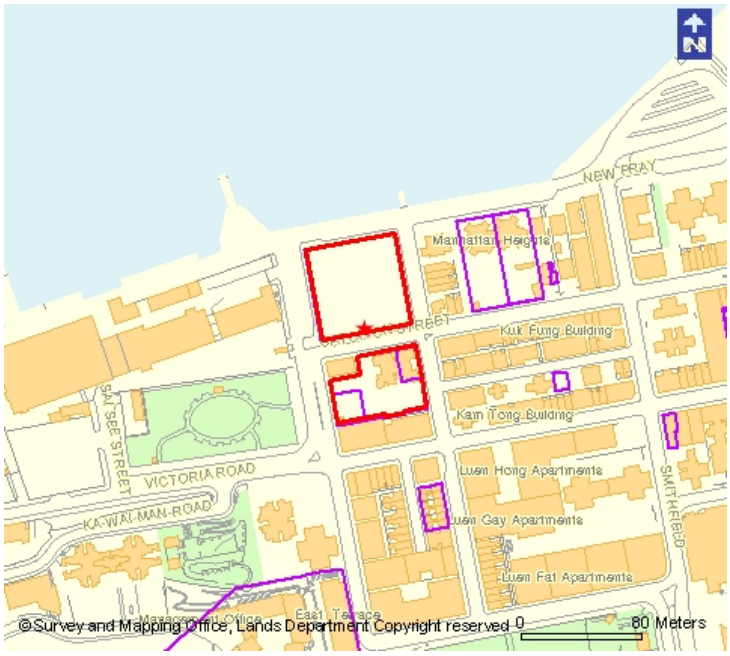
Location:

Address:	Area bounded by Davis Street, Catchick street, Cadogan Street and Kennedy Town New Praya, Kennedy Town
Lot Number:	VARIOUS SECTIONS IN ML 246 AND VARIOUS SECTIONS IN IL 1298
Statutory Plan:	S/H1/6 (Kennedy Town & Mount Davis OZP)

Detailed Information:

Site Area (sq.m):	6072.00
Proposed Number of Unit:	1320
Number of Storeys:	56-59
GFA Applied for (sq.m):	70094
Zoning:	Comprehensive Development Area

Site under Application



Decision Meeting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
12/03/1999	Planning application	Approved with conditions	Metro Planning Committee

Detailed Information
The Town Planning Board (the Board) approved the application for permission under section 16 of the Town Planning Ordinance on the terms of the application submitted to the Board and subject to the following conditions : (a) The submission and implementation of a revised Master Layout Plan (MLP) to incorporate conditions (b), (c) and (e) to (g) below and the implementation of the revised MLP to the satisfaction of the Director of Planning or of the Town Planning Board; (b) The design and provision of vehicular ingress/egress of the proposed development and the provision of a technically feasible scheme on alternative tram track alignment to the satisfaction of the Commissioner for Transport or of the Town Planning Board; (c) The provision of emergency vehicular access and fire service installations to the satisfaction of the Director of Fire Services or of the Town Planning Board; (d) The submission of a traffic impact assessment to the satisfaction of the Commissioner for Transport or of the Town Planning Board; (e) The design, funding, provision and management of the public open spaces to the satisfaction of the Director of Urban Services or of the Town Planning Board; (f) The submission and implementation of a master landscape plan to the satisfaction of the Director of Planning or of the Town Planning Board; (g) The submission and implementation of a development programme of the proposed development including the open space and landscaping proposals to the satisfaction of the Director of Planning or of the Town Planning Board; and (h) The permission shall cease to have effect on 12.3.2002 unless prior to the said date either the development hereby permitted is commenced or this permission is renewed.

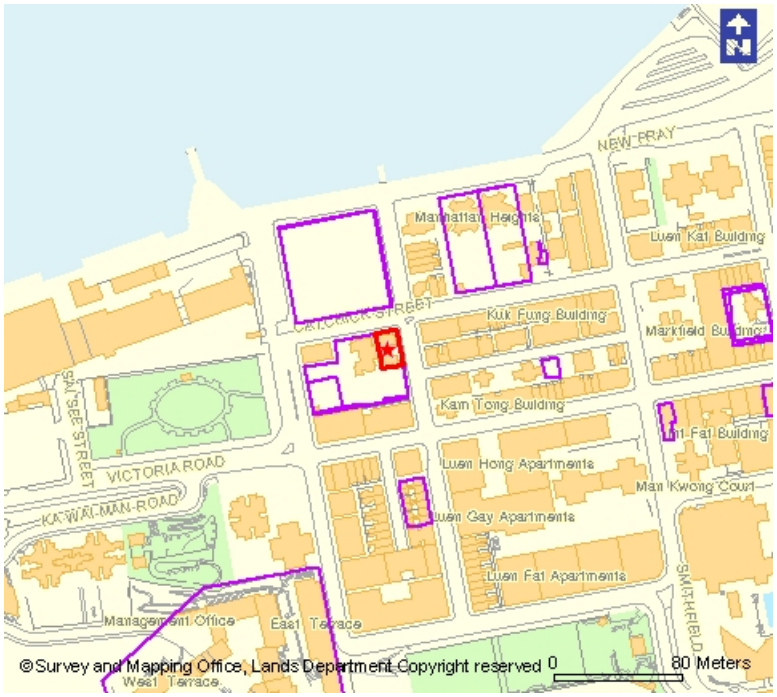
Ref. 1b
Case Number: A/H01/048

Detail information of Planning Application Case

General Information:

Case Number.:	**A/H01/048**
Use Applied for:	Residential Development and Public Open Space
Location:	
Address:	88 & 88A Catchick Street and 2-4 Davis Street, Kennedy Town
Lot Number:	ILs 1298 SBSS3 & RP and ILs 1298 SDSS2 & RP
Statutory Plan:	S/H1/6 (Kennedy Town & Mount Davis OZP)
Detailed Information:	
Site Area (sq.m):	340.00
Proposed Number of Unit:	70
Number of Storeys:	38
GFA Applied for (sq.m):	4264
Zoning:	Comprehensive Development Area

Site Under Application:



Decision Meeting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
19/12/1997	Planning application	Rejected	Metro Planning Committee

Previous Case: A/H01/015

Detailed Information
The Town Planning Board (the Board) decided not to approve the application on the following grounds : (a) The proposed development will frustrate the planning intention of the "Comprehensive Development Area" ("CDA") zone for comprehensive redevelopment of the area, and in particular it will affect the provision of the public open space as stipulated in the approved planning brief for the "CDA" zone and the Explanatory Statement of the draft Kennedy Town and Mount Davis Outline Zoning Plan (OZP); (b) The Master Layout Plan submitted has not included sufficient information to indicate the details for the entire "CDA" site including land-uses, total gross floor area, heights of all buildings to be erected, the alignment and levels of roads and landscaping proposals, etc as required under the Notes of the draft Kennedy Town and Mount Davis OZP and it has not demonstrated how the proposed development will fit in with the development in the remaining portion of the "CDA" site; and (c) The approval of the application would set an undesirable precedent for other similar applications which would defeat the planning intention of the "CDA" zone for comprehensive redevelopment of the area.

Ref. 1c
Case Number: A/H01/014

Detail information of Planning Application Case

General Information:

Case Number.:	**A/H01/014**
Use Applied for:	Residential Development with Shops on the Ground Floor

Location:

Address:	29-35 Cadogan Street, Kennedy Town, Hong Kong
Lot Number:	IL 1298 sA ss4-ss7 & sC ss2
Statutory Plan:	S/H1/2 (Kennedy Town & Mount Davis OZP)

Detailed Information:

Site Area (sq.m):	358.00
Proposed Number of Unit:	N/A
Number of Storeys:	24
GFA Applied for (sq.m):	2997
Zoning:	Comprehensive Development Area

Site Under Application:

Decision Metting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
15/03/1991	Planning application	Rejected	Town Planning Board
16/08/1991	Review	Rejected	Town Planning Board
11/04/1992	Appeal (no. 03/1991)	DISMISSED	Appeal Board

Detailed Information
The application site is within a larger area zoned for comprehensive development and the application, which is a piecemeal development, would frustrate the planning intention for the "Comprehensive Development Area" zone.

Ref. 2a
Case Number: A/H05/292

Detail information of Planning Application Case

General Information:

Case Number.:	**A/H05/292**
Use Applied for:	Residential and Commercial/Office Development with GIC Facilities

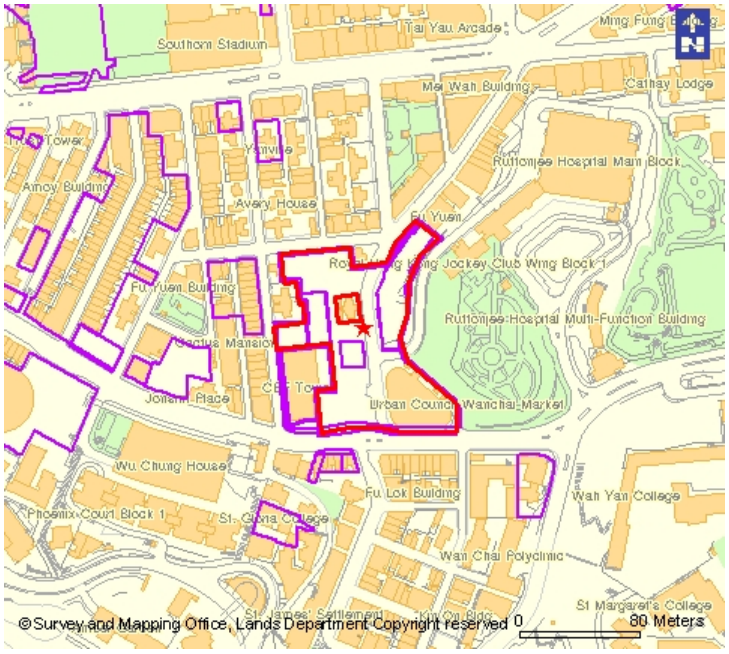
Location:

Address:	LDC Comprehensive Develop. Scheme at Wan Chai Rd/Tai Yuen St, Wan Chai
Lot Number:	VARIOUS LOTS
Statutory Plan:	S/H5/LDC1/2 (Wan Chai OZP)

Detailed Information:

Site Area (sq.m):	6478.00
Proposed Number of Unit:	616
Number of Storeys:	32-46
GFA Applied for (sq.m):	71474
Zoning:	Comprehensive Development Area

Site Under Application:



Decision Meeting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
27/08/1999	Planning application	Approved with conditions	Metro Planning Committee

Previous Case:A/H05/267 Subsequent Case:A/H05/299 , A/H05/326 , A/H05/332

Detailed Information

The Town Planning Board (the Board) approved the application for permission under section 16 of the Town Planning Ordinance on the terms of the application as submitted to the Board and subject to the following conditions :

(a) The submission and implementation of a revised Master Layout Plan (MLP) to incorporate the approval condition (b) to (i) below to the satisfaction of the Director of Planning or of the Town Planning Board;

(b) The design and provision of lay-bys, carparks and loading/unloading bays to the satisfaction of the Commissioner for Transport or of the Town Planning Board;

(c) The design and provision of road/footpaths widening along Queen's Road East, Tai Yuen Street and Wan Chai Road to the satisfaction of the Commissioner for Transport or of the Town Planning Board;

(d) The design and provision of footbridges linking the three portions of the Scheme Area, as proposed by the applicant, to the satisfaction of the Director of Highways or of the Town Planning Board;

(e) The design and provision of the market and public toilets to the satisfaction of the Director of Urban Services or of the Town Planning Board;

(f) The design, provision and location of the day nursery to the satisfaction of the Director of Social Welfare or of the Town Planning Board;

(g) The provision of diversionary lanes, as a result of the proposed closure of Stone Nullah Lane, to the satisfaction of the Director of Buildings or of the Town Planning Board;

(h) The submission and implementation of a Master Landscape Plan to the satisfaction of the Director of Planning or of the Town Planning Board;

(i) The submission and implementation of a development programme of the whole development scheme to the satisfaction of the Director of Planning or of the Town Planning Board; and

(j) The permission shall cease to have effect on 27.8.2002 unless prior to the said date either the development hereby permitted is commenced or this permission is renewed.

Ref. 2b
Case Number: A/H05/279

Detail information of Planning Application Case

General Information:

Case Number.:	**A/H05/279**
Use Applied for:	Commercial/Office Building

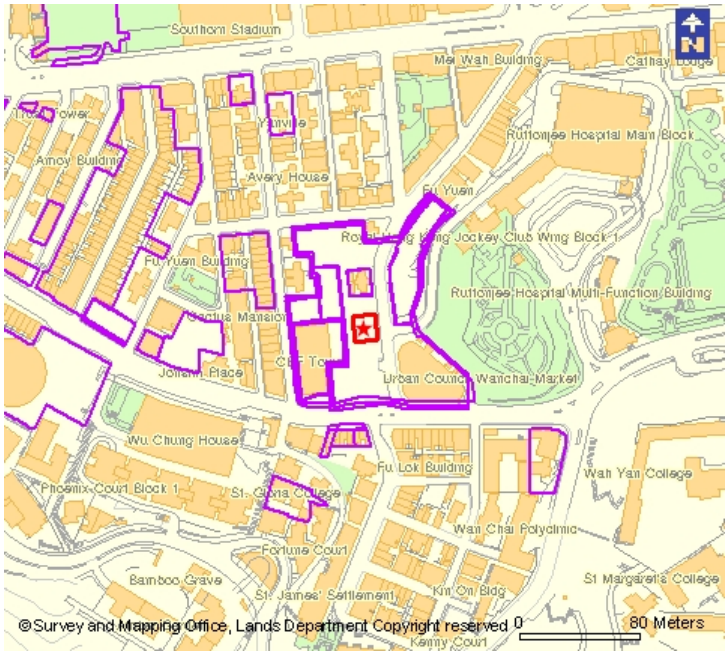
Location:

Address:	10-16 Wan Chai Road, Wan Chai
Lot Number:	IL 505 SARP, SASS3, SASS2, SASS2SA, SASS2RP & SASS1
Statutory Plan:	S/H5/12 (Wan Chai OZP)

Detailed Information:

Site Area (sq.m):	269.00
Proposed Number of Unit:	N/A
Number of Storeys:	23
GFA Applied for (sq.m):	4033
Zoning:	Comprehensive Development Area

Site Under Application:



Decision Meeting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
11/12/1998	Planning application	Rejected	Metro Planning Committee

Previous Case:A/H05/218

Detailed Information
The Town Planning Board (the Board) decided not to approve the application and the reasons are :- (a) The planning intention of the "Comprehensive Development Area" ("CDA") zone is for comprehensive redevelopment of the whole CDA area. Piecemeal development within the "CDA" zone would defeat the planning intention of the "CDA" zone; (b) The proposed development would adversely affect the provision of adequate market spaces for reprovisioning the current facilities in Wan Chai Market and Wan Chai Temporary Market and for resiting the licensed on-street hawkers in the area; (c) The Notes of the Land Development Corporation Wan Chai Road/Tai Yuen Street Development Scheme Plan require submission of a Master Layout Plan (MLP) for the development of the whole "CDA" zone. No MLP for the whole "CDA" zone has been included in the current submission; and (d) The approval of the application would set an undesirable precedent for other similar applications. The cumulative effect of approving such similar applications would defeat the planning intention of the "CDA" zone for comprehensive redevelopment of the whole CDA area.

Ref. 3a
Case Number: A/K03/337

Detail information of Planning Application Case

General Information:

Case Number.: **A/K03/337**

Use Applied for: Commercial/office/hotel development cum government/institution/community facilities, public light bus terminus and open space development.

Location:

Address: Area bounded by Argyle Street, Portland Street, Shantung Street and Reclamation Street, Mong Kok, Kowloon

Lot Number: VARIOUS LOTS

Statutory Plan: S/K3/LDC1/2 (Mong Kok OZP)

Detailed Information:

Site Area (sq.m): 15900.00

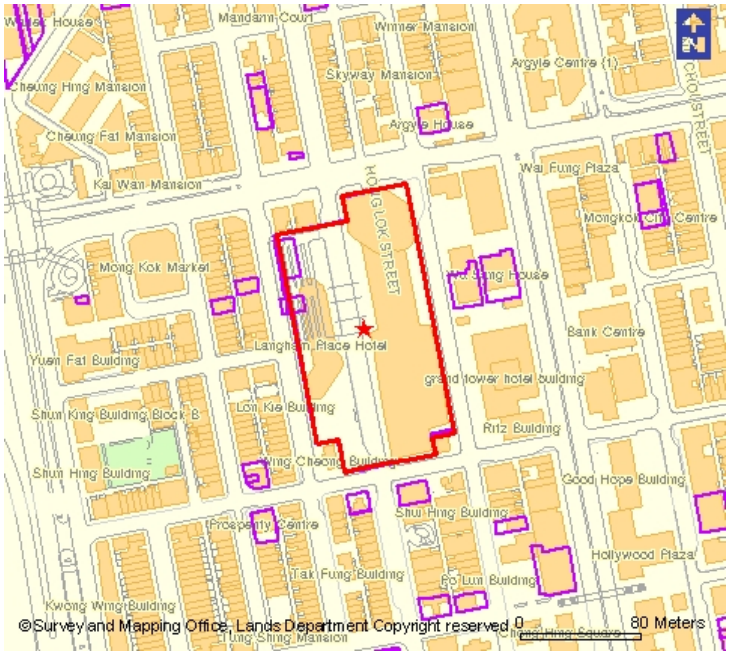
Proposed Number of Unit: N/A

Number of Storeys: 18-62

GFA Applied for (sq.m): 169545

Zoning: Comprehensive Development Area

Site Under Application:



Decision Meeting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
27/11/1998	Planning application	Approved with conditions	Metro Planning Committee

Previous Case:A/K03/329 Subsequent Case:A/K03/356

Detailed Information

The Town Planning Board (the Board) approved the application for permission under section 16 of the Town Planning Ordinance on the terms of the application submitted to the Board and subject to the following conditions :

(a) The submission and implementation of a revised Master Layout Plan to incorporate the approval conditions as stipulated in conditions (b) to (k) below to the satisfaction of the Director of Planning or of the Town Planning Board;

(b) The design and provision of a public light bus terminus to the satisfaction of the Commissioner for Transport or of the Town Planning Board;

(c) The design and provision of taxi/private car/bus lay-bys and the area for parking, loading/unloading and manoeuvring of vehicles to the satisfaction of the Commissioner for Transport or of the Town Planning Board;

(d) The provision of setbacks at the ground floor level of the development along Portland Street, Shanghai Street, Reclamation Street, Argyle Street and Shantung Street to the satisfaction of the Commissioner for Transport or of the Town Planning Board;

(e) The design and provision of the footbridges across Shanghai Street and the vehicular tunnel under Shanghai Street to the satisfaction of the Commissioner for Transport or of the Town Planning Board;

(f) The design and provision of a neighbourhood community centre to the satisfaction of the Director of Home Affairs or of the Town Planning Board;

(g) The incorporation of the granite wall at 594 Shanghai Street into the proposed public open space to the satisfaction of the Secretary for Home Affairs or of the Town Planning Board;

(h) The design and provision of a cooked food centre and a refuse collection chamber to the satisfaction of the Director of Urban Services or of the Town Planning Board;

(i) The design, provision, management and maintenance of a public open space abutting the junction between Shanghai Street and Shantung Street, as proposed by the applicant, to the satisfaction of the Director of Urban Services or of the Town Planning Board;

(j) The design and implementation of landscaping proposals to the satisfaction of the Director of Planning or of the Town Planning Board;

(k) The provision of drainage and sewage disposal facilities and designation of drainage reserves to the satisfaction of the Director of Drainage Services or of the Town Planning Board;

(l) The diversion of the existing water mains within the application site to the satisfaction of the Director of Water Supplies or of the Town Planning Board;

(m) The proposed non-accountable non-domestic gross floor area for the setting-down and picking-up for hotel users and back-of-the-house facilities as per the Practice Notes for Authorized Persons No. 111 (August 1996 Revision) should be obtained to the satisfaction of the Director of Buildings or of the Town Planning Board;

(n) The proposed exemption from gross floor area calculation of the proposed hotel due to the provision of better lift service as per the Practice Notes for Authorized Persons No. 207 (November 1997 Revision) should be obtained to the satisfaction of the Director of Buildings or of the Town Planning Board;

(o) The proposed exemption of the curtain wall system from gross floor area calculation as per the Practice Notes for Authorized Persons No. 13 (June 1998 Revision) should be obtained to the satisfaction of the Director of Buildings or of the Town Planning Board;

(p) The proposed bonus plot ratio for the setbacks at ground floor level of the site and the dedication of public passage from the ground floor level through footbridges at Level 2 over Shanghai Street should be obtained to the satisfaction of the Director of Buildings or of the Town Planning Board;

(q) The submission and implementation of a development programme for the proposed development to the satisfaction of the Director of Planning or of the Town Planning Board; and

(r) The permission shall cease to have effect on 27.11.2001 unless prior to the said date either the development hereby permitted is commenced or this permission is renewed.

Ref. 3b
Case Number: A/K03/240

Detail information of Planning Application Case

General Information:

Case Number.:	**A/K03/240**
Use Applied for:	Commercial/Office Development

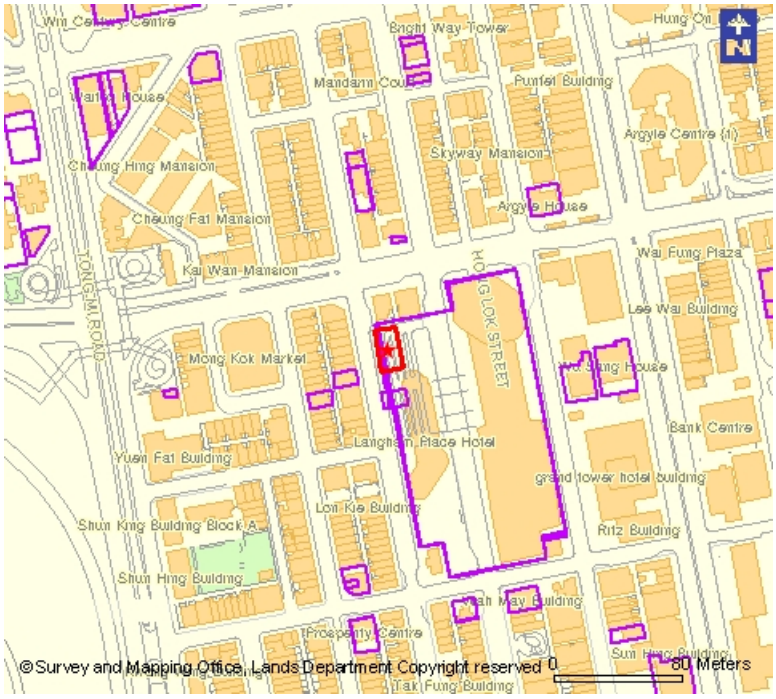
Location:

Address:	456-464 Reclamation Street, Mong Kok, Kowloon
Lot Number:	KILs 1167, 1168 sBss1RP & 1168 sBss1sA
Statutory Plan:	S/K3/LDC1/2 (Mong Kok OZP)

Detailed Information:

Site Area (sq.m):	363.00
Proposed Number of Unit:	N/A
Number of Storeys:	25
GFA Applied for (sq.m):	5816
Zoning:	Comprehensive Development Area, Road

Site under application:



Decision Meeting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
20/09/1993	Planning application	Deferred	Metro Planning Committee
24/09/1993	Planning application	Rejected	Town Planning Board

Detailed Information
(a) The proposed development on a site which only forms a very small portion of the "Comprehensive Development Area" will defeat the comprehensive development concept as indicated in the approved Land Development Corporation Development Scheme Plan for Argyle Street/Shanghai Street No. S/K3/LDC1/2; (b) No detailed information on the programme of building development, landscaping, building height and dimension, provision of car parking spaces and loading/unloading facilities, public light bus terminus, and recreational facilities have been provided in the submission; (c) No implementation agency for the whole "CDA" has been identified. There is no indication no how the remaining areas within the "CDA" zone can be developed in accordance with the master layout plan proposed in the application; (d) The submitted master layout plan does not comply with the boundary of the Approved LDC Scheme Plan No. S/K3/LDC1/2 since it excludes No. 29 Shantung Street; (e) The site area, plot ratio and site coverage of the proposed commercial/office building exceeds those permitted under the Building (Planning) Regulations; and (f) No on-site loading/unloading facilities are provided and no satisfactory alternative locations for loading/unloading activities for the proposed development have been proposed.

Ref. 3c
Case Number: A/K03/229

Detail information of Planning Application Case

General Information:

Case Number.:	**A/K03/229**
Use Applied for:	Shop & Residential Development

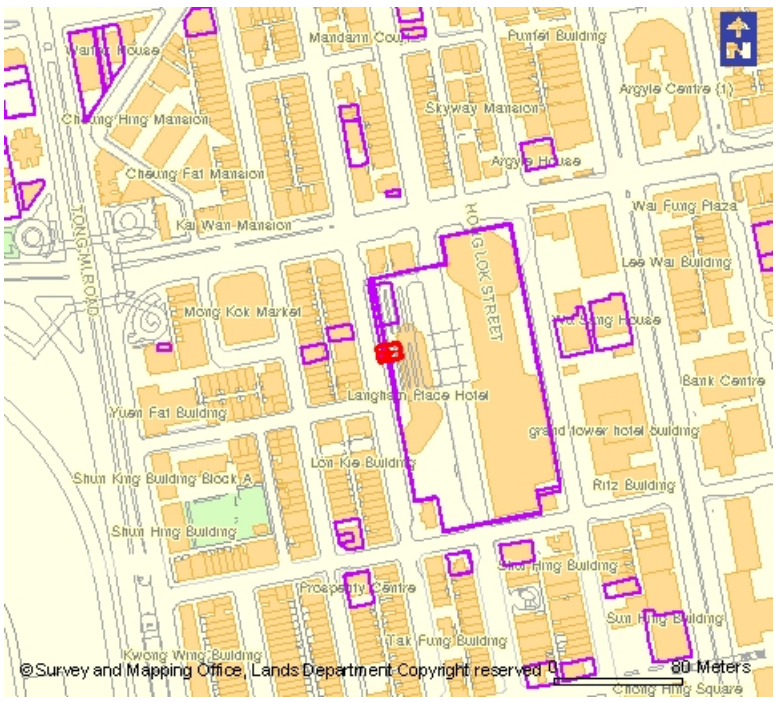
Location:

Address:	446-448 Reclamation Street, Mong Kok, Kowloon
Lot Number:	KIL 1908 sB & sC
Statutory Plan:	S/K3/5 (Mong Kok OZP)

Detailed Information:

Site Area (sq.m):	132.00
Proposed Number of Unit:	N/A
Number of Storeys:	16
GFA Applied for (sq.m):	1001
Zoning:	Comprehensive Development Area,Road

Site Under Application:



Decision Meeting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
04/12/1992	Planning application	Rejected	Metro Planning Committee
14/05/1993	Review	Rejected	Town Planning Board
09/05/1994	Appeal (no. 12/1993)	DISMISSED	Appeal Board

Detailed Information
(a) The proposed development does not comply with the draft LDC Development Scheme Plan for Argyle/Shanghai Street and the relevant Land use Diagram in the provision of Government/Institution/Community facilities, open space and improved traffic arrangement; (b) As the application site only forms a very small portion of the "CDA", the comprehensive development concept as indicated in the draft Development Scheme Plan will be defeated if the proposed development under application is allowed to proceed; and (c) The proposed building height exceeds the currrent Airport Height Restriction applied to the area.

Ref. 4a
Case Number: A/YL-PS/012

Detail information of Planning Application Case

General Information:

Case Number.:	**A/YL-PS/012**
Use Applied for:	Comprehensive Development with Minor Relaxation on Building Height

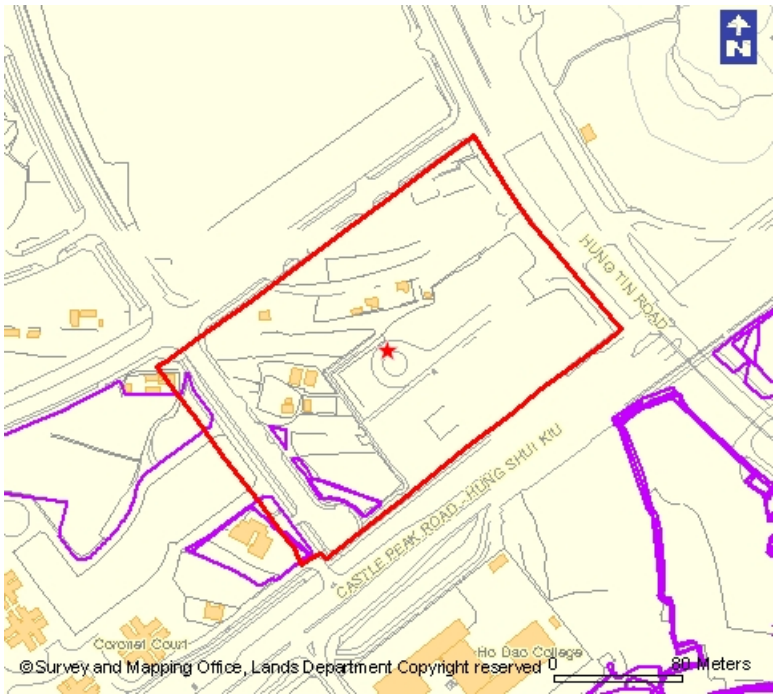
Location:

Address:	Hung Shui Kiu, Yuen Long
Lot Number:	VARIOUS LOTS IN DD 124
Statutory Plan:	S/YL-PS/1 (Ping Shan OZP)

Detailed Information:

Site Area (sq.m):	36300.00
Proposed Number of Unit:	1936
Number of Storeys:	25
GFA Applied for (sq.m):	113260
Zoning:	Comprehensive Development Area

Site Under Apllication:



Decision Meeting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
08/08/1997	Planning application	Approved with conditions	Rural & NT Planning Committee
04/08/2000	Extension of time limit	Approved	Town Planning Board

Detailed Information
(a) The submission and implementation of a Master Layout Plan to take into account conditions (b) to (j) below to the satisfaction of the Director of Planning or of the Town Planning Board; (b) The submission and implementation of a master landscape plan, including a tree preservation proposal, to the satisfaction of the Director of Planning or of the Town Planning Board; (c) The design and provision of a bus terminus layout to the satisfaction of the Commissioner for Transport or of the Town Planning Board; (d) The provision of footbridges linking to the Hong Kong Housing Society site to the north and the future Hung Shui Kiu Light Rail Transit (LRT) station to the satisfaction of the Commissioner for Transport or of the Town Planning Board; (e) The extension of the proposed footbridge to the south connecting to the LRT station platforms alongside Castle Peak Road and to the other side of Castle Peak Road-Hung Shui Kiu to the satisfaction of the Commissioner for Transport or of the Town Planning Board; (f) The design and provision of ingress/egress point(s), car-parking spaces, taxi area(s), loading and unloading facilities and pedestrian access(es) to the satisfaction of the Commissioner for Transport or of the Town Planning Board; (g) The design and provision of a market of a gross floor area of not less than 7,500m2 to the satisfaction of the Director of Regional Services or of the Town Planning Board; (h) The design and provision of an indoor recreation centre according to the schedule of accommodation to the satisfaction of the Director of Regional Services or of the Town Planning Board; (i) The design and provision of a refuse collection point of a gross floor area of not less than 600m2 to the satisfaction of the Director of Regional Services or of the Town Planning Board; (j) The provision of an emergency vehicular access and fire services installations to the satisfaction of the Director of Fire Services or of the Town Planning Board; (k) The submission of a noise impact assessment and the provision of noise mitigation measures to the satisfaction of the Director of Environmental Protection or of the Town

Planning Board;

(l) The submission of a drainage impact assessment and the provision of flood mitigation measures to the satisfaction of the Director of Drainage Services or of the Town Planning Board;

(m) The deletion of the provision of a day nursery in the proposed develpment;

(n) The submission and implementation of a development programme of the proposed development to the satisfaction of the Director of Planning or of the Town Planning Board; and

(o) The permission shall cease to have effect on 8.8.2000 unless prior to the said date either the development hereby permitted is commenced or this permission is renewed.

Ref. 4b
Case Number: A/YL-PS/050

Detail information of Planning Application Case

General Information:

Case Number.:	**A/YL-PS/050**
Use Applied for:	Restaurant and Car Park

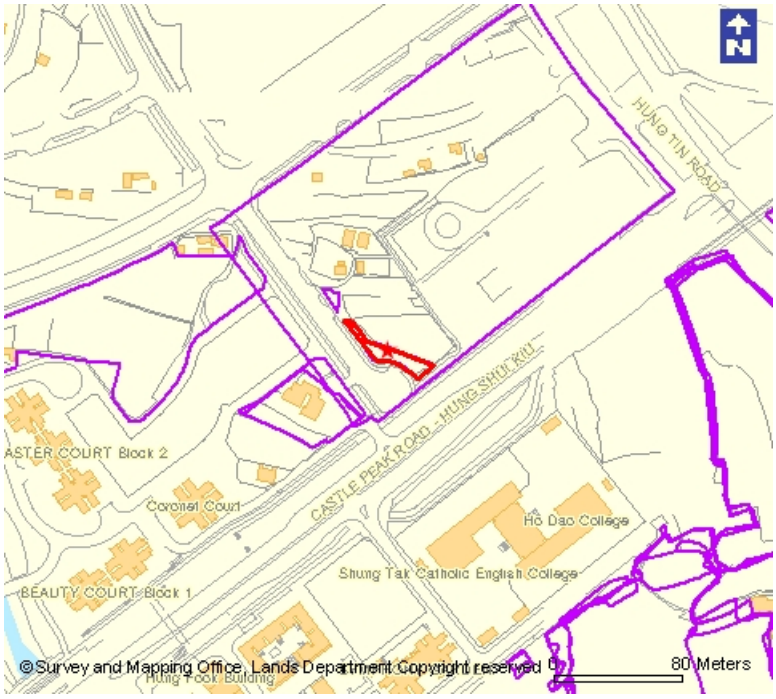
Location:

Address:	Hung Shui Kiu, Ping Shan, Yuen Long
Lot Number:	DD 124 LOTs 2438CRP(PART) AND 2439(PART)
Statutory Plan:	S/YL-PS/2 (Ping Shan OZP)

Detailed Information:

Site Area (sq.m):	560.00
Proposed Number of Unit:	N/A
Number of Storeys:	2
GFA Applied for (sq.m):	765
Zoning:	Comprehensive Development Area

Site Under Application:



Decision Meeting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
26/03/1999	Planning application	Rejected	Rural & NT Planning Committee

Previous Case:A/YL-PS/012

Detailed Information
The Town Planning Board (the Board) decided not to approve the application and the reasons are :- (a) The proposed development, which is piecemeal in nature, is not in line with the planning intention of the "Comprehensive Development Area" ("CDA") zone which is to provide for comprehensive development/redevelopment of the area to achieve environmental improvement. Moreover, no Master Layout Plan is submitted in the current submission to demonstrate how comprehensive development could be achieved; (b) There is insufficient information in the submission to demonstrate that a proper vehicular access to the site and sufficient loading/unloading spaces, with adequate manoeuvring spaces, would be provided for the proposed development; (c) Approval of the application would frustrate the implementation of essential infrastructural projects in the Hung Shui Kiu area as the site falls within the land resumption boundaries for road widening works and the construction of Light Rail Transit facilities; and (d) The approval of the application would set an undesirable precedent for similar applications for piecemeal development in the "CDA" zone. The cumulative effect of approving such similar applications would defeat the planning intention for comprehensive development in the "CDA" zone.

Ref. 4c
Case Number: A/YL-PS/219

Detail information of Planning Application Case

General Information:

Case Number.:	**A/YL-PS/219**
Use Applied for:	Temporary Open Storage of Building Construction Materials and Machinery for a Period of 3 Years

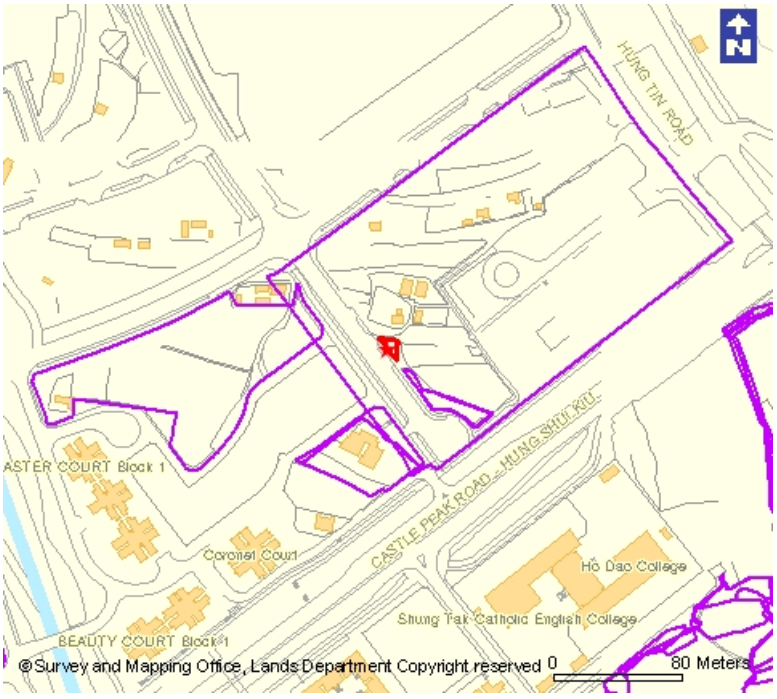
Location:

Address:	Hung Yuen Road, Ping Shan, Yuen Long
Lot Number:	Lot 2427RP in DD 124,)
Statutory Plan:	Approved Ping Shan Outline Zoning Plan No. S/YL-PS/11

Detailed Information:

Site Area (sq.m):	198.8 sq m (about)
Proposed Number of Unit:	N/A
Zoning:	Comprehensive Development Area

Site Under Application:



Decision Meeting(s):

Decision Date (DD/MM/YYYY)	Type of consideration	Decision	Authority
24/06/2005	Planning application	Rejected	Rural & NT Planning Committee

Previous Case:A/YL-PS/012

Detailed Information
306th RNTPC MEETING ON 24.6.2005 The application was rejected for the following reasons : (a) the proposed development was not in line with the planning intention of the "Comprehensive Development Area" ("CDA") zone which was for comprehensive development/redevelopment of the area for residential use with the provision of commercial, open space and other supporting facilities; (b) the proposed development was not in line with the Town Planning Board Guidelines No. 13C in that the site did not have any previous planning approvals, and there were no relevant technical assessments/proposals submitted to demonstrate that the proposed use would not generate adverse traffic, drainage and visual impacts on the surrounding areas; and (c) no similar application had previously been approved in the "CDA" zone. The approval of the application would set an undesirable precedent for similar applications, the cumulative impact of which would lead to a general degradation of the environment in the area.

REFERENCES

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