For discussion on 27 February 2024

Legislative Council Panel on Development

Development Proposal of Lau Fau Shan/Tsim Bei Tsui/Pak Nai area

PURPOSE

This paper briefs Members on the development proposal of Lau Fau Shan, Tsim Bei Tsui and Pak Nai area (collectively referred to as Lau Fau Shan or LFS).

PLANNING VISION AND POSITIONING

- 2. As set out in the Northern Metropolis (NM) Action Agenda promulgated in late October 2023, LFS will be an extension of the Hung Shui Kiu/Ha Tsuen New Development Area (HSK/HT NDA). Being the major source of new economic and housing land in the westernmost area of the NM, the extended HSK/HT NDA has an important role in driving the development of High-end Professional Services and Logistics Hub¹. The Broad Land Use Concept Plan for the LFS area within the extended NDA is at **Enclosure 1**.
- 3. The extended NDA is strategically located and well connected with the existing and planned transport infrastructure. Three railways will be intersecting at HSK the two local railways (the existing Tuen Ma Line and the proposed HK Island West-HSK Rail Link under the Kau Yi Chau Artificial Island project) connect the NDA to other parts of Hong Kong including our international airport and core business districts, while the proposed Hong Kong-Shenzhen Western Rail Link (Hung Shui Kiu-Qianhai) (HSWRL) with stations at HSK, HT and LFS (to be completed in 2034 -

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¹ Including Hung Shui Kiu/Ha Tsuen NDA, Yuen Long South NDA and existing new towns of Tin Shui Wai and Yuen Long.

2038²) provides a cross-boundary linkage with the modern services centre in Qianhai via the Shenzhen Bay Port (**Enclosure 2**). The NDA will also enjoy enhanced road connectivity with other parts of the New Territories upon completion of Route 11, Tuen Mun Bypass and the NM Highway. Internally, the HSK/HT NDA will be served by a Smart and Green Mass Transit System. Within LFS specifically, the Government is exploring the feasibility of a green transport corridor from Tsim Bei Tsui (TBT) to Pak Nai (PN).

- 4. The extended HSK/HT NDA has a total development area of 740 ha. With its strategic location and regional connectivity, it is positioned as a modern services hub with about 2 million m² commercial floor space in total. The prime commercial area around the HSK station (with about 1 million m² floor space) will be an ideal base for firms specialising in finance, legal and other professional services to support Mainland enterprises and foreign companies seeking entry into the Mainland market. With the nearby Kong Sham Western Highway and in line with the "East in East out, West in West out" (「東進東出、西進西出」) policy³, HSK/HT is also planned as a modern logistics hub, with about 72 ha of land reserved in HSK/HT and Yuen Long South mostly for development of modern multi-storey industrial buildings.
- 5. As part of the extended HSK/HT NDA, the area of LFS is planned with the above economic positioning for HSK/HT and the natural beauty of the LFS area in mind. With a development area of 411 ha (partly overlapping with the Remaining Phase of HSK/HT development), LFS can grow into a **digital technology hub** to complement the HSK/HT development, and develop into an **eco-tourism** destination for locals and tourists.

BROAD LAND USE CONCEPT PLAN

² The implementation programme of the HSWRL is subject to discussion between the Hong Kong and Shenzhen governments.

³ Under the "East in East out, West in West out" strategy, cross-boundary goods vehicles currently using the Huanggang/Lok Ma Chau, Man Kam To (MKT) and Sha Tau Kok Control Points will have to use the Liantang/Heung Yuen Wai Control Point in the east and the Shenzhen Bay Port in the west, reserving the remaining land boundary control points mainly for passenger traffic, save for fresh food trucks which will continue to use the MKT Control Point for food safety and hygiene inspections.

6. The Civil Engineering and Development Department and the Planning Department jointly commissioned a Land Use Review Study in August 2022 to formulate broad planning and infrastructure proposals of the study area and review their technical feasibility. The Broad Land Use Concept Plan for the LFS area reflects the two development themes mentioned above with other key planning features.

Digital Technology Hub

- 7. Given its proximity to and synergy with Qianhai and its landmark position facing Qianhai just across Deep Bay, LFS will be positioned as a digital technology hub (Enclosure 3). It will capitalise on advanced technology to promote integration of new and traditional economies, in areas such as Fintech, smart living, digital entertainment. It will also serve as an incubation base for young talents and start-ups. Functionally, the digital technology hub at LFS with focus on application-based technological solutions is distinct from San Tin Technopole which is positioned to be a hub for clustered innovation and technology (I&T) development allowing different I&T stages (including research and development, prototyping, pilot testing and mass production). Location wise, LFS is well placed to house a digital technology hub so that it can support the technical transformation of financial and other professional services in the HSK/HT modern service hub, while providing a landing ground to strengthen collaboration between our digital community and Qianhai.
- 8. With the support of the Innovation, Technology and Industry Bureau (ITIB), the Hong Kong Cyberport Management Company Limited (Cyberport), the information and communications technology flagship in Hong Kong, has been invited to look into the establishment of the digital technology hub at LFS. Given its experience in nurturing the largest digital community of over 2 000 start-ups and companies in Hong Kong covering Fintech, smart living and related professional services, Cyberport is best placed to plan for another landing ground of high-value and digital technology companies at LFS. As mentioned above, the digital technology hub can also strengthen collaboration between Cyberport and Qianhai on top of existing projects jointly undertaken by the two sides.

9. Based on the findings of Cyberport's preliminary study, about 15 ha of land producing around 380 000 m² GFA (approximately the scale of Cyberport at its existing campus in Pokfulam) adjacent to the proposed LFS Station of HSWRL has been initially earmarked for the development of digital technology facilities in the form of a business and technology park, with landmark facilities to mark the welcoming gateway for visitors. As announced in the 2023 Policy Measures, Cyberport will commence a further study in 2024 to ascertain the details of the proposed development at LFS.

Eco-Tourism

Two Eco-Tourism Nodes

- 10. Fronting the Deep Bay and neighbouring the Mai Po Inner Deep Bay Ramsar Site to the east, the LFS area has one of the longest coastlines (10.7 km) in the NM stretching from TBT to PN, where natural habitats of high ecological and landscape values could be found and eco-recreation activities could be promoted. The coastal area also offers a panoramic view of Deep Bay and, further off, the towering skyscrapers of Shenzhen. The LFS area has the potential to be developed into an eco-tourism destination to provide a nature-based recreation outlet for local people and diversify our tourism offerings to Mainland and international tourists, having regard to the growing popularity of green attractions among visitors. The area can also promote multi-destination itineraries featuring Hong Kong and other Greater Bay Area (GBA) destinations. In particular, TBT and PN can be the two major eco-tourism nodes in the area
 - (i) TBT enjoys a spectacular natural backdrop of Deep Bay and the adjacent Ramsar wetlands. The coastal area at TBT will be demarcated as a Coastal Protection Park (CPP) (see paragraph 15 below). Considering this unique natural context and after some initial sounding out with the tourism/hotel industry, the area has the potential to be developed into a thematic activity node with seaview resort hotels and retail/dining/entertainment facilities and various types of eco-tourism uses such as outdoor adventure park and glamping sites. In other words, TBT could be positioned as a lively eco-tourism node (Enclosure 4);

- (ii) PN is a picturesque destination famous for the magnificent sunset view and home to mangroves and rich marine life including horseshoe crabs as well as numerous migratory birds. The coastal area to the north of Deep Bay Road will be demarcated as CPP. Without compromising nature conservation, hotels/resorts and ecolodges with supporting nature-related activities and rural-scale retail uses, weekend market, etc. are proposed in this area. As compared with TBT, PN could be positioned as a tranquil ecotourism node (Enclosure 5); and
- (iii) a promenade (about 4.8 km) would be built along the coastal area between PN and TBT for sight-seeing as well as cycling and leisure walk. Subject to the further feasibility study on the proposed CPP, the promenade and cycling track might be extended to the CPP in TBT and PN.
- 11. According to a preliminary desktop study under the Land Use Review, the areas proposed for development of facilities for supporting ecotourism, for example hotels/resorts, eco-lodges, weekend market, etc. which fall outside the boundary of the proposed CPP, are mostly of low or low to moderate ecological value. Taking into account communications with the Environment and Ecology Bureau (EEB) and the Agriculture, Fisheries and Conservation Department (AFCD) under the Land Use Review Study, areas of moderate to high or high ecological value with suitable buffer have been assumed to be included within the proposed CPP. In any event, an environmental impact assessment (EIA) will be carried out in the subsequent stage of Investigation Study to assess any ecological impacts of the proposed developments at LFS and propose mitigation measures if needed.

LFS Seafood Market

12. The LFS seafood market has been a dining destination for locals over decades but has never been a prominent attraction for inbound tourists given its relatively remote location, limited transport infrastructure and relatively worn out overall conditions. It is proposed to assess the tourism values of the area and as one of the options, preserving the seafood market at the existing location (about 3.8 ha) while enabling in-situ improvements.

13. The preservation and in-situ improvement of the LFS seafood market entail complex issues including land ownership/right of use by existing business operators, challenge of upgrading substandard public amenities in-situ, etc. Taking into account views to be received in the public engagement exercise (see paragraph 22 below), development programmes of the extended NDA and relevant infrastructures and the prevailing tourism trend, a separate study will be conducted at a suitable juncture to further assess the tourism potential of the seafood market. The Tourism Commission will lead the study with the support of relevant bureaux and departments.

Waterfront Performance Venue

14. To provide more diversified experience for locals and tourists, a performance venue is proposed within the waterfront open space fronting the digital technology hub for running quality performances by local, Mainland and other talents. This, together with other attractions in LFS, including the two eco-tourism nodes, CPP and the seafood market, can provide opportunities for enhancing the tourism appeal for visitors at international, regional and local levels. The improvement in connectivity and accessibility will also present opportunities for collaboration with the GBA including Shenzhen for hosting events of various nature.

Other Key Planning Features

Proposed CPP

15. Under the Land Use Review Study and with the steer of EEB/AFCD, the future CPP may include the 10.7 km-long seaward area along the LFS coast, covering the inter-tidal zone with mangroves and associated habitats, subject to the findings of a further feasibility study to be conducted by AFCD in 2024. The land portion of CPP has been preliminarily demarcated, to include areas with habitats with moderate to high ecological value and the required buffer area. The proposed land portion of CPP (some 60 ha) within LFS comprises two areas, i.e. from Sha Kiu Tsuen to TBT Police Post in TBT and around Sheung PN⁴. The some 60 ha consists of mangroves, ponds,

⁴ The future CPP will also cover some land area at Ha PN, which is beyond the LFS area.

streams, etc. and adjoining buffer area⁵. The AFCD study will cover such aspects as the exact areas (both the sea and land portions) and uses of the CPP, baseline reviews, management strategy, conceptual plan and relevant technical feasibility assessments.

Residential Neighourhoods

- 16. Residential developments are primarily planned along the coast between TBT and the digital technology hub and the western bank of the Tin Shui Wai (TSW) River, part of which overlaps with Remaining Phase of the HSK/HT NDA development⁶, the development intensity of which has been reviewed in the current Land Use Review for LFS area. The residential communities, capable of producing 48 000 to 53 000 flats, will benefit from the excellent local and cross-boundary connectivity of LFS and HSK/HT NDA in general, including the LFS and Ha Tsuen Stations of the HSWRL.
- 17. The proposed maximum domestic plot ratio is 6.5. The potential housing supply of LFS will be available beyond the next 10 years. We will test out different scenarios of public to private housing mix, including scenarios other than the 70:30 ratio, at the subsequent stage of Investigation Study so as to provide flexibility in mix of housing planned for the longer term.

Connecting and Enriching TSW

18. The LFS area neighbours the TSW New Town, which currently provides limited job opportunities. The 2.7 km-long TSW River flanking LFS and TSW will be beautified/revitalized with new footbridges and upgraded cycle tracks extending to the north of Tin Wah Road to enhance connection (Enclosures 6 & 7). A new riverside open space corridor connecting to Tin Yuet Road and other activity nodes will complete the existing and planned blue-and-green network, benefiting the communities of TSW North and the future residents at Sha Kong Wai North. With such connections leading to the extended HSK/HT NDA, the TSW community will have better access to job opportunities, housing choices, recreational and

⁵ The land area along the coastline from TBT to LFS is excluded due to their relatively low ecological value.

⁶ According to the original planning without the LFS extension, the Remaining Phase of HSK/HT NDA will provide a total of about 28 700 flats with population of about 80 800.

community facilities, and will enjoy a more vibrant and dynamic living environment.

Land Use Budget and Major Development Parameters

19. The proposed land use budget for LFS is summarised as follows:

Land Uses	Area (ha)
Economic Uses (including the digital technology hub, tourism-related uses, logistics, data centre, etc.)	115 (28%)
Residential and Mixed Uses	82 (20%)
Government, Institution or Community	57 (14%)
Open Space	56 (14%)
Roads	101 (24%)
Total Development Area	411

- 20. Bordering the development area are some permitted burial grounds currently left undisturbed and included as Green Belt sites. Subject to the views to be received during the public engagement exercise, we do not rule out the possibility of including some of them in the development area to rationalise layout and optimise land use as we proceed with the Investigation Study.
- 21. The major development parameters for LFS are tabulated below:

Total Population	About 141 000 – 146 000
Flats	About 48 000 - 53 000
Talent Accommodation	About 1 800
Employment	About 50 000 (including 12 000 in I&T and 10 000 in tourism)

^{*}The above parameters will be subject to the findings under the Investigation Study.

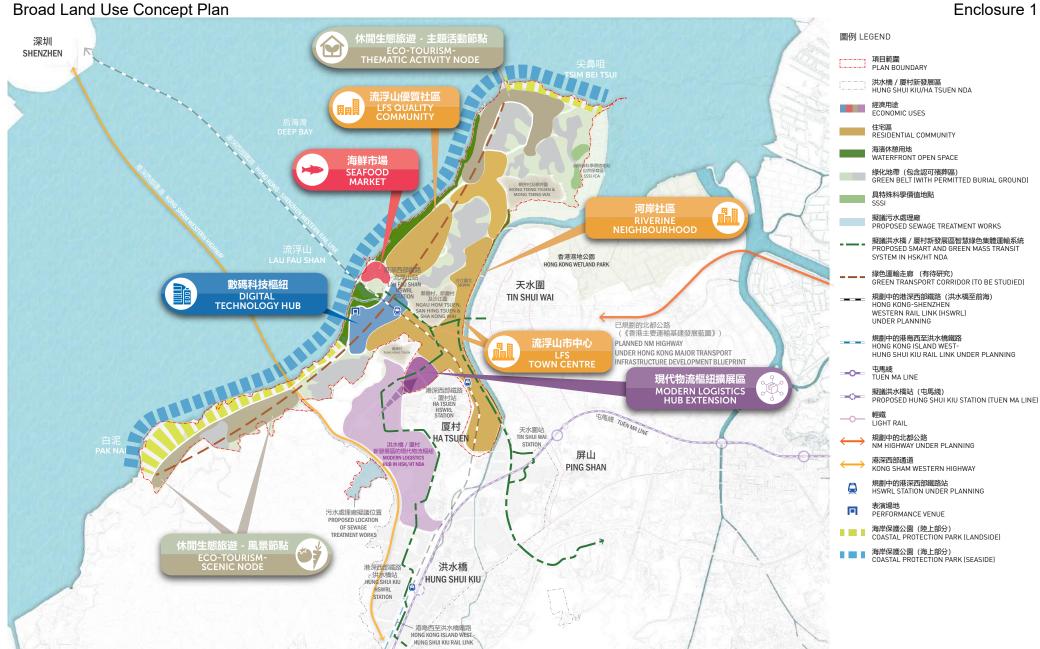
NEXT STEPS

- 22. We will commence a 2-month public engagement exercise starting from 6 March 2024. A series of publicity events and activities including roving exhibitions and briefing sessions with relevant stakeholders including advisory bodies, hospitality and tourism sector, I&T sector, agriculture and fisheries sector, professional institutes, rural committees, district council, villagers, business operators such as those of brownfield, fisheries, agricultural and livestock farms and other stakeholders will be conducted.
- 23. Taking into account public views, we will commence an Investigation Study in the first half of 2024 to further develop the land use of individual land parcels for formulation of a Recommended Outline Development Plan for LFS, which will serve as the basis for preparation of the statutory Outline Zoning Plan. We will also conduct EIA under the EIA Ordinance, carry out various technical assessments and preliminary design of works and formulate the implementation programme under the Investigation Study. Furthermore, market sounding out will be conducted during the Investigation Study to gauge the market interest towards taking up the developments of key components in the proposed eco-tourism areas.
- 24. On current planning, government-initiated works will commence in around 2030, taking into account the priorities accorded to earlier phases of the extended HSK/HT NDA. We will explore opportunities for broadening private sector participation and bringing forward implementation of selected areas particularly those related to the digital technology hub and eco-tourism through innovative development modes such as "development of local districts" (片區開發).

ADVICE SOUGHT

25. Members are invited to offer views on the development proposal of LFS.

Development Bureau Civil Engineering and Development Department Planning Department February 2024







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Enclosure 7



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