

DEVELOPMENT

RESERVOIR 'SHOULD BE EMPTIED FOR HOMES'

HKU academics come up with Plover Cove idea, call for more reclamation and want leases on idle land to be allowed to expire if flats are not built

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Leases on idle plots of privately held land in the New Territories should be allowed to expire by 2047 to prod landowners to develop instead of sitting on them, a study said.

The report by two University of Hong Kong real estate and planning academics also wants more large-scale reclamation to create land for housing, as opposed to "ad hoc" strategies such as redevelopment, rezoning, razing hillsides or building on the fringes of country parks.

One idea is to "drain Plover Cove", the city's second-largest reservoir, which would free up about 1,200 hectares for housing.

Co-author Dr Chau Kwong-wing, director of the HKU Ronald Coase Centre for Property Rights Research, said such long-term strategies would help strengthen confidence in a "sustained stream of land supply" and curb panic and speculative buying.

"Most land in the New Territories will have their titles expire in 2047. If they are not developed or if they remain idle, the government should just take them back. It should not exercise its discretion to automatically renew their leases from another 50 years," he said.

Chau estimates there are about 1,000 hectares of such land.

The Lands Department exercises discretion in renewing expired land leases as it did during the 1997 handover, when all leases due to expire that year were extended for 50 years, with annual government rent set at 3 per cent of rateable value.

But as the land is zoned for farming, the government must

rezone it for housing. Developers would then face a hefty fee to convert their leases from agricultural to residential use.

Chau admitted that the government would have to recalibrate the land premium formula as it was now "too high" to incentivise any development.

Over 6,300 hectares of sea were reclaimed between 1950 and 2017 but slowed after the government banned reclamation in Victoria Harbour.

"The public has yet to hear any long-term policy for the future, say 20 to 30 years, production of land in possible locations," co-author Professor Lawrence Lai Wai-chung said.

The pair suggested reclaiming Plover Cove Reservoir in Tai Po for "300,000 flats". The environmental costs, Lai argued, were low because the original marine ecology had already been damaged when it was built in the 1960s. "There is nothing lost. Human beings [are] also the centre of ecology."

But Dr Cheng Luk-ki, head of scientific research at Green Power, said: "Sacrificing the reservoir will lower our water security and leave us more dependent and vulnerable to water supply disruptions in the Dongjiang [river basin]. Water gathering grounds discharge water into the reservoir. Replacing it with an urban settlement will increase flood risks."

Paul Zimmerman, of urban planning concern group Designing Hong Kong, said setting deadlines on land lease could work but the government had to first rezone all agricultural land for residential use. "This would involve dealing with existing land users, villagers and sorting out inefficient and unsafe uses of land."

The Real Estate Developers Association will study the proposals.



Plover Cove, the city's second-largest reservoir. Photo: Sam Tsang