

Task Force on Kai Tak Harbourfront Development

For Information

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Facilitating Provision of Pedestrian Links by the Private Sector

PURPOSE

This paper aims to brief Members on the new policy announced by the Chief Executive in his 2016 Policy Address for facilitating provision of pedestrian links by the private sector. The new policy is to provide a suitable incentive to the private sector by way of waiving the land premium payable for lease modification for provision of the pedestrian links to help achieve a comprehensive pedestrian network for the overall benefits of the community; and to use Kowloon East (KE) as a pilot area for implementation. Consideration would be given to extending the policy to other districts, where justified.

BACKGROUND

2. The four key strategies of the Energizing Kowloon East (EKE) policy initiative, as shown in the latest EKE Conceptual Master Plan 4.0, are “Connectivity”, “Branding”, “Design” and “Diversity”. Connectivity is an important factor to the success of the complex urban transformation process of KE. In the 2014, 2015 and 2016 Policy Addresses, the sustainability concept of “walkability” in KE through improving connectivity and enhancing the pedestrian environment to facilitate the transformation of KE into the second core business district (CBD2) was mentioned and reiterated.

JUSTIFICATIONS

Existing Policy

3. Under the existing policy, projects for provision of pedestrian links are proposed and implemented either by the Government, usually through public works, or by the private sector as private sector initiatives. They are subject to different treatments as set out below.

4. Public pedestrian links: The provision of public pedestrian

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links by the Government through public works is normally initiated by the Government and justified by necessity considerations based on the forecast pedestrian flows while other considerations such as road safety, availability of alternative walkways, cost effectiveness and public opinions will also be taken into account. Considerations such as enhancing walkability, connectivity and improving the walking environment and comfort are not expressly accounted for. The implementation timeframe of such facilities as public works depends on many factors, including availability of capital funding and recurrent resources for the relevant works departments for the design and construction as well as the subsequent management and maintenance (M&M). In the past, a comprehensive pedestrian network, particularly if it involves elevated and/or underground links, usually takes a long time from initial planning to final completion.

5. Pedestrian links initiated by the private sector: If private landowners, property owners or developers (referred to as “landowners” below) want to provide additional pedestrian links for their developments to connect with an existing public walkway system or other existing infrastructures/developments (e.g. MTR stations, public transport interchanges or other nearby buildings with existing footbridges/subways), they have to apply for permissions/approvals. For footbridge/subway scheme, it would require gazetting and authorisation under the Roads (Works, Use and Compensation) Ordinance (Cap. 370). Quite often the additional links would also require lease modifications for which the concerned landowners have to apply to the Lands Department (LandsD). In accordance with the general land administration arrangements, such lease modification applications, if approved, would be subject to, amongst other terms, payment of full market value land premium that would reflect the enhancement in land value arising from enhanced connectivity via additional pedestrian links. Subject to the authorisation of the proposed scheme, the additional pedestrian links would usually be built and maintained by the landowners. Where a landowner sees benefits in connecting his own building/development to the public walkway system, the proposal would normally be regarded as a private pedestrian link subject to the arrangements outlined above.

6. On many occasions, public pedestrian links built by the Government place staircases and lifts of footbridges/subways on public footpaths which reduces the already limited public space in the built-up areas. Where it is considered that connection of a public walkway system to the existing pedestrian network through a private development is necessitated and justified, especially when there is no other feasible standalone alternative available or such alternative is

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considered cost-ineffective, subject to technical feasibility this may be effected by creation of easement under Cap. 370 by the Government in respect of such connection and/or requirement for connection to be specified in the land sale conditions (if applicable), or the terms of lease modification if the opportunity arises for an existing development.

Public Expectation for Enhancing Walkability

7. Under the current arrangements, enhancing walkability through improving the walking environment and pedestrian comfort is not a major consideration for the provision of public pedestrian links. This does not accord with the global trend of developing more liveable cities where walkability would be a major consideration. To advance further, the benefits of improving the quality of pedestrian journeys in terms of comfort and convenience, or seizing opportunities for connections with private developments and destinations which could create synergy and increase the vibrancy of an area must be considered. Enhancing walkability would encourage people to walk more, reduce vehicular traffic and the associated social costs and environmental impacts, while generating larger public good in promoting a greener, healthier and more sustainable low carbon community, apart from bringing benefits to private developments. It also provides a safer walking environment for elderly people and persons with physical disabilities by keeping them away from at-grade signalised crossings. Nowadays, there is increasing expectation from the public that the pedestrian network in the city should be convenient, pleasant and comfortable, and should reach out to more potential users by connecting with nearby developments and other existing walkway systems. A walkable community is an important component of smart growth and a key feature of a smart city. We have therefore reviewed the existing policy to adopt a more pragmatic approach to facilitate private sector proposals for early provision of planned pedestrian links to enhance walkability and promote the quality of living.

Public Walkway System with Private Participation

8. From an urban planning perspective, in a highly compact and vertical city like Hong Kong, the justifications for developing a public walkway system would need to take account of, apart from forecast pedestrian flows, various walkability factors such as safety, comfort, convenience, time efficiency and cost effectiveness, etc. This is especially the case in those built-up urban areas with a high concentration of socio-economic activities, where the development is already dense, the at-grade roads and pavements are already congested,

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the pedestrian flows are high, and the public good for improving connectivity and enhancing walkability especially with mass transport infrastructures is evident. In such circumstances, a well-planned, well-designed and well-managed public walkway system with pedestrian links to private properties could improve connectivity and walkability of the area as a whole, benefit the public who frequent the area, and in turn generate public good in terms of comfort, convenience, efficiency to pedestrians, even if such a system might not be fully justified in the foreseeable future solely on account of forecast pedestrian flows. KE, which is undergoing a rapid urban transformation process from an old industrial area to becoming the CBD2 in Hong Kong, is a good example of such case. However, the public good that a walkway system could generate and the justifications for policy intervention to facilitate such development would require careful assessment and analysis. There should be a sound basis for considering the provision of such facilities in the context of a comprehensive pedestrian network formulated by relevant studies.

Benefits of Private Initiatives

9. For privately initiated footbridges or subways connecting private developments, the landowners might liaise amongst themselves and apply to LandsD for necessary lease modifications. Generally speaking, private landowners would initiate proposals for such walkway systems only if such proposals are beneficial to their own developments. Such privately initiated proposals, if also found justifiable from the public connectivity perspective, may have the following benefits –

- (a) If provision of 24-hour barrier-free access inside the developments is technically feasible and commercially beneficial for the landowners, and the landowners are willing to incorporate the requirement to provide such access into the Government leases concerned, it may obviate the need to place staircases and lifts on public footpaths and the limited public space would not be further reduced. The provision of access points through private developments may also result in better walkability and avoid duplicative provision of facilities (e.g. barrier-free access facilities).
- (b) Funding and resources for the walkway system might be provided upfront by the private sector. Implementation of such walkway system by the private sector might take a shorter time to complete when compared to government

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public works. The public could enjoy early provision of the walkway system.

Implementation with KE as a Pilot Area

10. As part of the EKE initiative to facilitate the transformation of the area, Energizing Kowloon East Office (EKEO) has been exploring the establishment of a comprehensive pedestrian network to connect major transport nodes, public open spaces, popular commercial developments and other attraction points through comprehensive studies to improve the pedestrian environment. In particular, the Kowloon Bay and Kwun Tong Business Area Pedestrian Environment Improvement Studies (the KBBA & KTBA Studies) have formulated a comprehensive pedestrian network which will be finalized in the first quarter of 2016 and around end 2016 respectively. This will form a good basis for Kowloon Bay and Kwun Tong to be the pilot area of this new policy initiative.

11. To reap a wider benefit for the community through achieving a comprehensive pedestrian network within a shorter timeframe, incentives should be provided to landowners for implementation of the pedestrian links in the scheme area as set out below:

- (a) Any land premium arising from lease modifications necessary for implementing the pedestrian links incorporated into the Outline Development Plan (ODP) would be waived, with the landowners initiating to design and build these connections at their own cost. The application for lease modification should be submitted within 3 years after the approval and promulgation of the relevant ODP for the KBBA incorporating these pedestrian links.
- (b) Where lease modification is required, it should be stipulated in the modified lease that the landowner is required to provide a pedestrian link with connection to the building erected or to be erected on the lot to impose a continuous obligation for such provision including upon redevelopment. As a norm, 24-hour barrier-free access to the connections of footbridges/subways and public footpaths shall be stipulated in the modified lease.
- (c) As a general rule, the landowners would be required to bear the M&M responsibilities and related costs of the pedestrian

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links provided by them. The Government would welcome better specifications for the pedestrian links.

- (d) Where the proposed pedestrian links involve multiple-ownership and small property owners at the time of lease modification application, in order to ensure better M&M, the landowners could initiate a request to the Government to take up the M&M responsibilities of the links over government land after completion of construction. Subject to the agreement by the Government, including acceptance of the proposed design and other specifications for the links, such as 24-hour unimpeded maintenance access to facilitate the Government's maintenance works, the landowners should pay a one-off payment to the Government to cover the M&M costs up to the expiry of the relevant leases or up to the year when the links would in any case be required to be provided by the Government based solely on the forecast pedestrian flows, whichever is the earlier. The Government would only take up the M&M responsibilities as a last resort to ensure effective M&M of the pedestrian links.
- (e) For those links that the Government will take up the M&M responsibilities, the landowners will be required to re-deliver the links to the Government on demand via lease obligations.

12. The incentive can achieve a "win-win" situation, whereby (i) waiving of land premium would provide a strong incentive for landowners to design and construct the pedestrian links earlier than otherwise by the Government so that the public would enjoy early provision of a more comprehensive pedestrian network with better connectivity and walkability; (ii) with private sector involvement, there would be an advantage of minimising the need to provide public landings, staircases and lifts on public footpaths which would reduce the limited public space on ground; and (iii) government revenue from rates and stamp duties would likely rise in tandem with the enhanced value of the properties that would be more easily accessible by the pedestrian links.

13. The incentive will encourage landowners to submit proposals for provision of pedestrian links to form a comprehensive pedestrian network, generate synergy among the developments in the two business areas and create catalytic effects for the transformation of KE into CBD2. It is significant not only as an infrastructure provision to improve connectivity in the district, but also demonstrates the Government's commitment to facilitate and expedite the

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transformation of KE.

14. If the proposals initiated by landowners are generally in line with the alignments shown on the ODPs but with minor adjustments to suit the actual site conditions, such proposals to be submitted with the necessary lease modification applications may be processed by the LandsD and accepted subject to the agreement by relevant Bureaux/Departments (B/Ds). When landowners propose to provide additional links to connect their buildings to the planned pedestrian network, the Government would assess the proposals on a case-by-case basis to ensure that the links are convenient and can enhance walkability in that particular area and bring benefits to the public at large. Subject to the agreement by concerned B/Ds, such links would be incorporated into the relevant ODP as an update of the planned comprehensive pedestrian network. Upon endorsement of the new pedestrian links, the applicant can apply to waive any land premium arising from the necessary lease modification within the same 3-year application period.

Application to Other Districts/Areas

15. Upon announcement of the new policy by the Chief Executive in his 2016 Policy Address, it is expected that there may be similar proposals put forward by landowners for provision of pedestrian links in other districts or areas. The landowners may also request for waiving land premium payable for the required lease modification. Such proposals should be handled on a case-by-case basis by Development Bureau in consultation with concerned B/Ds in assessing whether certain proposals are justifiable from the perspective of the overall benefit to the community having regard to relevant pedestrian environment improvement studies prepared by the Government and/or the landowners. Separate approval for each of such proposals based on individual merits would be required from the Chief Executive in Council in accordance with the established practice.

MID-TERM REVIEW

16. A mid-term review of the new policy will be conducted to assess the effectiveness of the pilot scheme in KE 2 years after the approval of the ODP incorporating the comprehensive pedestrian network for KBBA, and about 1 year after the approval of the ODP for KTBA, which is expected to be in 2018. The Government could then determine whether the approach is effective, whether any extension of time would be allowed in KE, and also assess whether and how such approach

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would be extended to other parts of Hong Kong if justified by similar pedestrian environment improvement studies.

WAY FORWARD

17. Further public consultation, including during the process of gazetting the pedestrian links under Cap. 370, will be carried out during implementation and also for any subsequent changes or additional links. EKEO would take up a coordination role to facilitate discussions among B/Ds and collaborate with Planning Department to incorporate the pedestrian links into the relevant ODP.

18. For more details of the new policy, please refer to the Legislative Council Brief “Facilitating Provision of Pedestrian Links by the Private Sector” at the following link –

<http://library.legco.gov.hk:1080/record=b1185235>

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