

Task Force on Water-land Interface

For information
on 23 February 2017

TFWL/01/2017

Proposed Re-tendering or Tendering of Short Term Tenancies for Port Back-up Uses in Kwai Tsing

PURPOSE

This paper briefs Members on the proposed re-tendering or tendering of short-term tenancies (STTs) for 37 parcels of Government land in Kwai Tsing for port-back up uses.

BACKGROUND

2. The Kwai Tsing Container Terminals (KTCTs) have nine privately-run terminals. Outside the terminal boundaries and surrounding KTCTs, there are sites being let under STTs for “port back-up” uses to numerous smaller scale logistics and trucking operators who provide support to KTCTs’ operations (port back-up STTs).

3. According to one of the recommendations of the “Study on the Strategic Development Plan for Hong Kong Port 2030” (HKP 2030) completed in 2014, the port back-up land around KTCTs should be better utilised to maintain the competitiveness of the Hong Kong Port. The findings of HKP 2030 were presented to the Task Force on Water-land Interface on 2 March 2015 and Members generally supported the recommendations therein.

4. Taking into account the recommendations of HKP 2030, a review on port back-up STTs was conducted by Transport and Housing Bureau (THB) in conjunction with Lands Department (LandsD) and Transport Department with a view to rationalising and optimising the use of these port back-up STTs¹. With the completion of the review in 2015, we would like to take the opportunity to brief members on the proposal to retender 33 existing sites and tender four new sites which fall wholly or partly

¹ The STT review recommended, among others, to refine the allocation and management mechanism of land under STT for port back-up uses so as to make them conducive to the operations of small and medium sized enterprises as far as possible.

within the Harbourfront Area in batches from 2017 onwards for port back-up uses. The locations and particulars of the 37 sites are at **Appendices I to II**.

PROPOSED RE-TENDERING OR TENDERING

Re-tendering of STT Sites for Port Back-up Uses

5. Most of the lease terms of 33 sites currently let under STTs for port back-up uses have been expired² (see **Appendix I** for locations please). With a view to supporting port operations, it is proposed that these sites be continued for port back-up uses. The sites will be retendered by open tender in batches from 2017 onwards for container storage/cargo handling or car park (mainly for container vehicles) uses. Particulars of these sites are set out at **Appendix II**.

Tendering of New STT Sites for Port Back-up Uses

6. Four vacant land parcels (i.e. Sites 2a to 2d at **Appendix I**) are proposed to be let out for port back-up uses (i.e. cargo handling, barge berthing and car park mainly for container vehicles) under STTs. The proposed users of these four sites are in line with the planning intention of the relevant Outline Zoning Plans (OZPs) and/or the recommendations of the HKP 2030³.

JUSTIFICATIONS FOR THE PROPOSED RE-TENDERING OR TENDERING

(a) Harbourfront Planning Principles

7. Consideration has been given to the harbourfront planning principles. The 37 STT sites are all located in close proximity to the KTCTs and are mostly segregated from the waterfront by the KTCTs. Besides, a number of STT sites are located underneath

² The term of a STT generally consists of an initial, fixed term followed by a periodic tenancy (usually quarterly) if the tenancy is not terminated after the expiry of the fixed term.

³ Among these four sites, two are recommended for container related uses under HKP 2030. The other two are zoned "Other Specified Uses" annotated "Container Related Uses" ("OU(CRU)") and "OU" annotated "Container Related Uses and Underground Sewage Treatment Works with Ancillary Above Ground Facilities" ("OU (CRU&STW)") respectively on the Tsing Yi OZP and Stonecutters Island OZP with planning intention to cater for container related uses.

or near the flyovers. The sight lines between these STT sites and the harbour would therefore be blocked by the operations in the KTCTs and various flyovers. The proposed re-tendering or tendering of STT sites does not involve any reclamation within the Victoria Harbour. Most of the sites also have no sea access to the Victoria Harbour.

(b) Compatible Port Back-up Uses with Adjoining Area

8. These STT sites are essential in supporting port operations and compatible with the adjoining area. Moreover, most of these 37 STT sites accord with the OZP zonings with planning intention to provide land for container related uses and port back-up facilities⁴.

(c) Meeting the Industry Demand

9. The port back-up STTs in the Kwai Tsing district are important to support port operations and maintain the competitiveness of the Hong Kong Port. The port back-up STTs, with terms to be renewed and refined periodically, can flexibly respond to the latest operational needs of the port and logistics industry. Moreover, land disposal by STTs can better meet the needs of the small and medium sized enterprises and allow them to take part in the business.

WAY FORWARD

10. LandsD will consult the relevant government bureaux and departments and the stakeholders on the detailed proposal of each STT site in accordance with the established practice. In view of the large number of STT sites, these sites would be disposed of in batches from 2017 onwards.

ADVICE SOUGHT

⁴ Most of the sites fall wholly or partly within areas zoned "OU(CRU)", "OU(CRU&STW)", "Other Specified Uses" annotated "Container Terminal" and "Other Specified Uses" annotated "Cargo Handling Area" under the relevant OZPs. Port back-up uses are in line with the planning intention of the said zones to provide land for container related uses, port back-up and/or cargo handling facilities.

Task Force on Water-land Interface

TFWL/01/2017

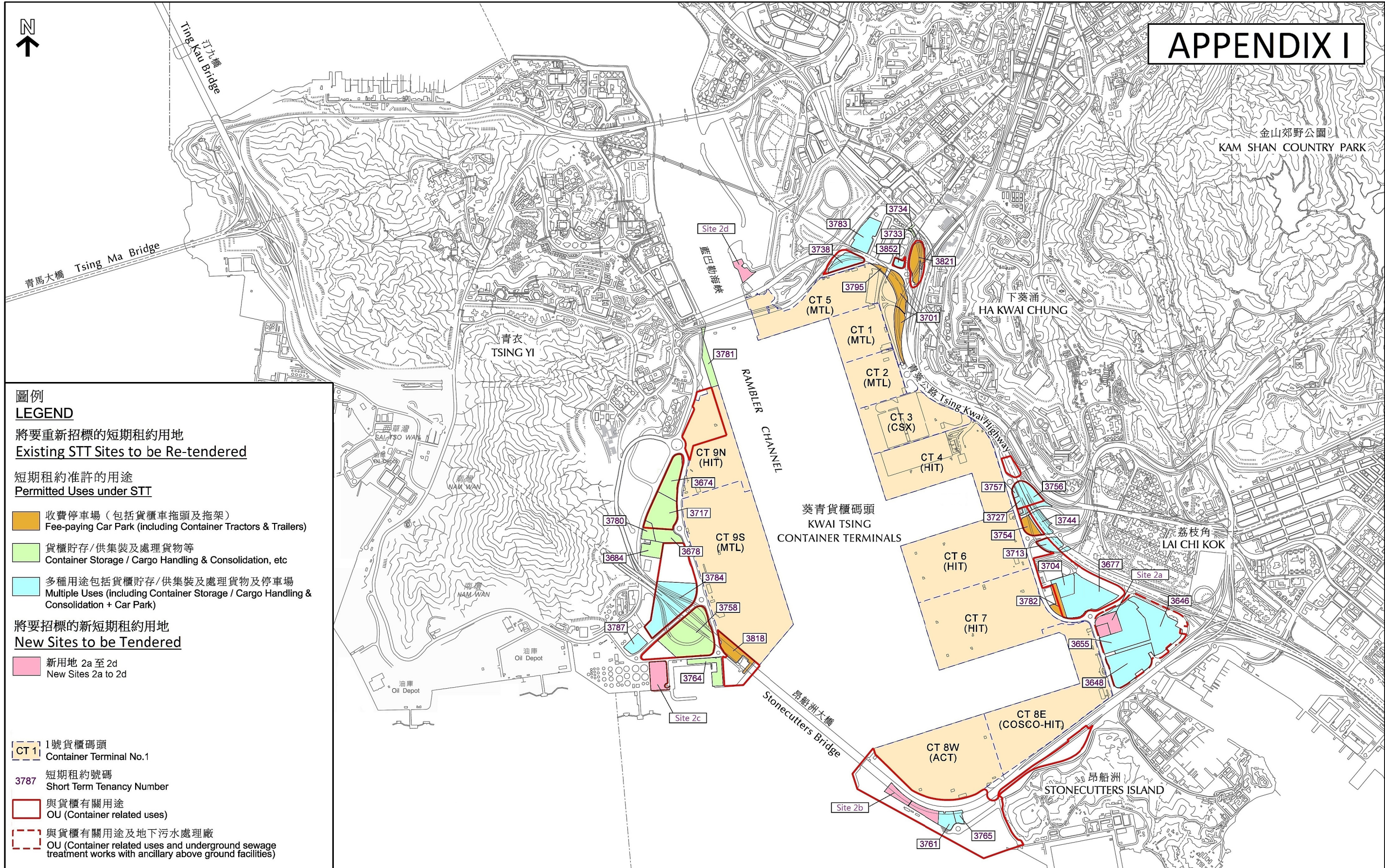
11. Members are invited to take note of the above proposed tendering or re-tendering of STT sites for port back-up uses.

APPENDICES

Appendix I Location Plan – Land for Port Back-up STTs
Appendix II Particulars of the 37 STT sites

**District Lands Office/Tsuen Wan & Kwai Tsing,
Lands Department
February 2017**

APPENDIX I



LAND FOR PORT BACK-UP USES UNDER SHORT TERM TENANCY WITHIN KWAI TSING HARBOURFRONT AREA

This plan is based on Annexes A and B of THB's consultation document "Proposals for Enhancing the Use of Port Back-up Land in Kwai Tsing" dated June 2015

Particulars of the 37 STT sites within the Kwai Tsing Harbourfront Area

(A) Existing STT Port Back-up Sites to be Retendered

Item	Existing STT No.	Location	Site Area (m ²)	Permitted Uses under Existing STT (Appendix I refers)	Remarks
1	STT 3677 KT	Mei Ching Road, Kwai Chung	53,100	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	Recommended for container related use under HKP2030
2	STT 3704 KT	Container Port Road South, Kwai Chung	14,500	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	Recommended for container related use under HKP2030
3	STT 3678 KT	Tsing Yi Hong Wan Road, Tsing Yi	13,200	Container Storage/ Cargo Handling & Consolidation etc.	Recommended for container related use under HKP2030
4	STT 3684 KT	Tsing Yi Road, Tsing Yi	12,500	Container Storage/ Cargo Handling & Consolidation etc.	Recommended for container related use under HKP2030
5	STT 3717 KT	Tsing Yi Hong Wan Road, Area 29B, Tsing Yi	34,800	Container Storage/ Cargo Handling & Consolidation etc.	Recommended for container related use under HKP2030
6	STT 3674 KT	Junction of Tsing Yi Road and Tsing Yi Hong Wan Road, Area 29B, Tsing Yi	25,600	Container Storage/ Cargo Handling & Consolidation etc.	Recommended for container related use under HKP2030
7	STT 3738 KT	Kwai Tsing Road, Kwai Chung	15,300	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	Recommended for container related use under HKP2030
8	STT 3758 KT	Junction of Tsing Yi Hong Wan Road and Tsing Ko Road, Tsing Yi	73,300	Container Storage/ Cargo Handling & Consolidation etc.	Recommended for container related use under HKP2030
9	STT 3782 KT	Container Port Road South, Kwai Chung	10,900	Fee-paying Car Park (Including Container Tractors & Trailers)	Recommended for container related use under HKP2030
10	STT 3765 KT	Ngong Wan Road, Kwai Chung	4,220	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	Recommended for container related use under HKP2030
11	STT 3818 KT	Tsing Yi Hong Wan Road, Tsing Yi	17,600	Fee-paying Car Park (Including Container Tractors & Trailers)	Recommended for container related use under HKP2030
12	STT 3761 KT	Ngong Wan Road, Kwai Chung	10,400	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	Recommended for container related use under HKP2030
13	STT 3780 KT	Tsing Yi Road, Tsing Yi	7,910	Container Storage/ Cargo Handling & Consolidation etc.	Recommended for container related use under HKP2030
14	STT 3764 KT	Tsing Sheung Road, Tsing Yi	15,100	Container Storage/ Cargo Handling & Consolidation etc.	Recommended for container related use under HKP2030
15	STT 3781 KT	Cheung Fai Road, Area 29, Tsing Yi	12,800	Container Storage/ Cargo Handling & Consolidation etc.	Recommended for container related use under HKP2030
16	STT 3655 KT	Junction of Mei Ching Road and Container Port Road South, Kwai Chung	58,300	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	
17	STT 3646 KT	Container Port Road South, Kwai Chung	52,600	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	
18	STT 3648 KT	Container Port Road South, Kwai Chung	44,500	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	
19	STT 3701 KT	Container Port Road South, Kwai Chung	31,600	Fee-paying Car Park (Including Container Tractors & Trailers)	
20	STT 3757 KT	Container Port Road South, Area 30, Kwai Chung	1,790	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	
21	STT 3784 KT	Tsing Ko Road, Tsing Yi	66,200	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	
22	STT 3754 KT	Tat Yeung Road, Kwai Chung	9,120	Fee-paying Car Park (Including Container Tractors & Trailers)	
23	STT 3795 KT	Junction of Kwai Tai Road and Container Port Road, Kwai Chung	2,520	Fee-paying Car Park (Including Container Tractors & Trailers)	
24	STT 3821 KT	Container Port Road South, Kwai Chung	17,200	Fee-paying Car Park (Including Container Tractors & Trailers)	
25	STT 3852 KT	Junction of Container Port road and Kwai Tai Road, Kwai Chung	3,090	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	
26	STT 3713 KT	Ching Cheung Road, Kwai Chung	12,600	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	
27	STT 3744 KT	Tat Yeung Road, Kwai Chung	12,800	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	
28	STT 3727 KT	Container Port Road South, Kwai Chung	11,000	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	

Item	Existing STT No.	Location	Site Area (m ²)	Permitted Uses under Existing STT (Appendix I refers)	Remarks
29	STT 3756 KT	Tat Yeung Road, Kwai Chung	15,200	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	
30	STT 3733 KT	Container Port Road South, Kwai Chung	1,100	Container Storage/ Cargo Handling & Consolidation etc.	
31	STT 3734 KT	Container Port Road, Kwai Chung	452	Container Storage/ Cargo Handling & Consolidation etc.	
32	STT 3787 KT	Tsing Ko Road, Tsing Yi	10,600	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	
33	STT 3783 KT	Kwai Wo Street, Kwai Chung	23,700	Multiple Uses (Including Container Storage / Cargo Handling & Consolidation + Car Park (including container tractors & trailers))	

(B) New STT Sites for Port Back-up Uses to be Tendered

Item	Site	Location	Proposed Site Area (about) (m ²) ⁽²⁾	Proposed Uses ⁽³⁾	Remarks
1	2b ⁽¹⁾	Container Port Road South, Kwai Chung	20,000	Container and Goods Vehicle Parking	Recommended for container related use under HKP2030 to support port operation
2	2d	Kwai Yue Lane, Kwai Chung	8,310	Barge Berth	Recommended for container related use under HKP2030 to support port operation
3	2a ⁽¹⁾	Mei Ching Road/Container Port Road South, Kwai Chung	17,500	Cargo Handling	Zoned "OU(CRU & STW)" ⁽⁴⁾ on OZP
4	2c	Junction of Tsing Sheung Road/Tsing Sheung Lane, Tsing Yi	18,800	Cargo Handling	Zoned "OU(CRU)" ⁽⁴⁾ on OZP

Remarks:

- (1) Sites 2a and 2b may be sub-divided into two STT sites respectively for tendering
- (2) The proposed site areas are subject to revision
- (3) Ancillary uses would be considered for incorporation in the tenancies as appropriate
- (4) "OU(CRU)" refers to "Other Specified Uses" annotated "Container Related Uses" and "OU(CRU & STW)" refers to "OU" annotated "Container Related Uses and Underground Sewage Treatment Works with Ancillary Above Ground Facilities". Both are intended for container related and port backup uses.