Applications for Lease Modification including Land Exchange
for Development of Land within
Kwu Tung North and Fanling North New Development Areas

Owners of private lots within the Kwu Tung North and Fanling North New Development Areas ("the NDAs") may, from the date of this Practice Note and before the prescribed deadline, apply with the Lands Department ("LandsD") for a lease modification including in-situ land exchange (generally referred hereafter as "land exchange") for development of their lots for the purposes as permitted under the relevant statutory town plan or as may be permitted by the Town Planning Board ("TPB"). Lot owners who wish to apply for such a land exchange should refer to this Practice Note before submitting applications.

Relevant Plans

2. Applicants should refer to the draft Kwu Tung North Outline Zoning Plan No. S/KTN/1 and Fanling North Outline Zoning Plan No. S/FLN/1 gazetted on 20 December 2013 and/or on any subsequent amendment plans thereof. Information in respect of the two Outline Zoning Plans may be obtained from the TPB website: http://www.ozp.tpb.gov.hk/. Copies of the plans are also available for sale at the Map Publications Centres. Applicants should also refer to the adopted Kwu Tung North Outline Development Plan and Fanling North Outline Development Plan, which are available for sale at the Map Publications Centres and for inspection at the Planning Enquiry Counters of the Planning Department.

3. The applications should only refer to the sites planned for private developments in the above-mentioned Outline Development Plans. For easy reference, a plan showing the distribution of these sites ("the reference plan") has been uploaded onto LandsD’s website. To tie in with the development programme of the NDAs, priority will be given to processing those applications involving land falling within the sites earmarked for Phase I development (denoted as sites planned for private developments in Phase I on the reference plan and hereafter referred as "Phase I sites"). The development phases for the other sites shown on the reference plan will be promulgated as and when determined. For the avoidance of doubt, the locations and boundaries of the sites planned for private developments as shown on the reference plan are for illustration only and may be changed or amended as necessary.

Other Points to Note

4. Applications should be submitted to the LandsD Headquarters at North Point Government Offices, 20/F, 333 Java Road, North Point, Hong Kong, for the attention of Senior Administrative Officer. Applicants may wish to refer to Appendix I for a checklist of basic requirements for submission of an application and Appendix II on the use of personal information provided in the application. On receipt of the application, its merits will be
considered according to the General Criteria as set out in Appendix III. If and when an application is accepted for further processing, the application will be processed by District Lands Office/North ("DLO/N"), LandsD, at 6th floor, North District Government Offices, 3 Pik Fung Road, Fanling, New Territories. Applicants should take note of the requirements as set out in Appendix IV when DLO/N processes the applications.

5. Applicants should note that LandsD will publish on its website general information about the applications under processing, such as a plan showing the boundaries of the private land involved in an application.

6. After LandsD has issued a provisional basic terms offer for the proposed land exchange, the applicant is required to submit documentary evidence to prove that –

   (a) comparable compensation package as referred to in Appendix IV (based on the prevailing monetary ex-gratia compensation as proposed by the Government for application to eligible individuals to be affected by government clearances in the NDAs) has been offered to the occupants affected by the proposed land exchange (i.e. those individuals occupying the lots to be surrendered as at 4 July 2013 or thereafter) and has been accepted (e.g. an acknowledgment signed by the affected occupant signifying his acceptance of the compensation offer); and

   (b) vacant possession of all the private land involved by a reasonable timing (having regard to the expectation in paragraph 7 below) is secured.

Applicants should further note that, notwithstanding the acceptance of the provisional basic terms offer, the proposed land exchange will not be further processed until and unless the above requirements (a) and (b) have been complied with.

7. Actual vacant possession of the private land involved should be obtained before LandsD proceeds with the issue of binding basic terms offer (with premium).

8. If an application may be approved, such approval will only be given after approval of the above-mentioned Outline Zoning Plans by the Chief Executive in Council and provided that approval of the land exchange application does not contradict the approved Outline Zoning Plans. Such application, if approved by LandsD, will be subject to such terms and conditions, including payment of a premium, as may be imposed or demanded by LandsD.

9. If a binding basic terms offer (with premium) cannot be issued and accepted by a certain date which shall be indicated in the letter advising that the application is accepted for processing at the initial stage, the processing of the land exchange will cease. For information, the deadline for application in respect of Phase I sites is 30 November 2014; and any accepted application concerning a Phase I site will cease to be processed if a binding basic terms offer (with premium) cannot be issued and accepted on or before 31 January 2016. The administrative fee or any other fee paid will not be refunded following cessation of processing the applications in this circumstance or in any of the circumstances set out in any letter demanding payment of administrative fee. Late applications will not be considered. The deadlines for receiving and concluding applications in respect of sites in subsequent phases of development will be published on LandsD’s website as and when the phasing is determined.

10. Owners are advised to engage competent professionals to assist them in making the applications.
11. For the avoidance of doubt, LandsD acting in its capacity as private landlord may, at its sole and absolute discretion, approve or reject any such application. This Practice Note shall not constitute any representation on the part of the Government or give rise to any expectation on the part of the applicant that any application submitted to the LandsD will be processed or approved.

12. This Practice Note is issued for general reference purposes only. All rights to modify the whole or any part of this Practice Note are hereby reserved.

( Ms. Bernadette Linn )
Director of Lands
25 February 2014