

## **1<sup>st</sup> Meeting with Chief Minister on 17 July 2009**

The minutes of the first meeting has been sent to Y.B. Tuan Chow Kon Yeow and copied to the Chief Minister of Penang. The Minutes are as below:

**REPORT OF PENANG CHINESE CHAMBER OF  
COMMERCE (PCCC) & REDHA PENANG  
CLOSE DOOR MEETING WITH  
CHIEF MINISTER, YAB Tuan LIM GUAN ENG  
17 JULY 2009 (Friday), 4.30 pm  
At Komtar 52<sup>nd</sup> Floor**

### **PCCC Representatives:**

Tan Sri Dato' Tan Kok Ping, Datuk Choot Ewe Seng, Dato' Ooi Gan @ Loh Gan, Dato' Steven Siah Kok Poay, Looi Bean Keat, Finn Choong Khuat Seng, Oon Weng Boon, Dato' Ewe Swee Kheng, Ong Soo Yong

### **REDHA Representatives:**

President Dato' Jerry Chan and his committee members.

### **Secretariat:**

Tan Hock Chuan, Loy Ter Min

### **PROCEEDINGS**

The meeting started at 4:30 noon with Y.A.B. Tuan Lim Guan Eng Chairing the meeting.

#### **1. CHAIRMAN'S ADDRESS**

The Chairman Y.A.B. Tuan Lim Guan Eng thanked Penang Chinese Chamber of Commerce's President, tan Sri Dato' Tan Kok Ping for initiating the closed door meeting together with Real Estate and Housing Developers' Association Malaysia (Penang Branch) (REDHA). The purpose of the closed door meeting is to listen to the voices and opinions of business community particularly developers and contractors about the implementation and administration of the policy by Local and State Government.

The issues discussed are as follows:

#### **1. MPPP One Stop Centre (OSC)**

Developers / Submitting architects to be invited to explain should query / clarification is needed. No plans should be rejected without the applicant has been given a chance to defend or clarify.

**Solution:**

**Chief Minister emphasized that all requirements by Councils must be complied; however, MPPP explained that they do practice 'Conditional Approval' on minor defects. Besides, MPPP would consider adopting MPSP's practice to invite developers and architects for explanation and clarification on pending & rejected cases, but final decision would still be made by MPPP.**

**2. Review in residential density guidelines**

REHDA Penang is very concerned over the apparent gap in the supply of housing priced between RM150,000 to RM300,000. This is a category of housing which is highly sought after by the large group of middle income wage earners. However, the current density guideline is limiting the developers' options in building low medium cost units, super condominium or very high end landed houses.

Our proposal includes flexibility for developers to configure the mix, the number of rooms per unit, and different built ups of each type of unit. This will allow developers to build a variety of units, i.e. studio, 2 bedroom, 3 bedroom, 4 bedroom and family units with differing sizes in a housing scheme to cater for a wider group of buyers. In order not to have too dense a development, REHDA's proposal also puts limits on the number of units that can be built per acre.

We would like to request for a briefing on the draft Local Plan for REHDA before the public display.

**Solution:**

**Due to draft Local Plan would not be replaced in near future, thus, Chief Minister promised that an interim amendment on existing Local Plan would be made soon.**

**Pertaining to density issue, REHDA proposed to provide Development Charge RM 5 per square feet which would result in extra earning of RM400,000 / acre for State Government; MPPP promised would consider 122,000 square feet to plot ratio 2.8, with 15% - 25 % conversion factor.**

**3. Low Cost Contribution for developments below the 100/150 units threshold**

We were informed that a technical committee has been formed to look into it. REHDA through its legal advisor has written in to the Planning Department of MPPP on 12 March 2009 that using the Structure Plan to give legislative or statutory authority to impose such requirement as a condition of planning permission is wrong in law. The local authority should also avoid imposing additional requirement in discretion to replace the low cost contribution with other alternatives contributions or levy towards development cases with no. of units slightly below the 100/150 units. A copy was extended to YB Chow. Planning Department had since referred the matter to the State Planning Department.

**Solution:**

**The contributions have not been imposed yet as the technical departments have not come into agreement, MPPP Chairman Sr. Tan Cheng Chui mentioned that the clause would be withdrawn to avoid confusion.**

**4. Simplify Starting Work Process**

The developer cannot start work immediately after the approval of Local Plan. The developer has to obtain approval from JKR & JPS although not all cases warrant such approval. Normally JKR & JPS will take a long while to response.

**Solution:**

**C.M. proposed to put JKR & JPS approval under OSC and would give JKR & JPS specific date to response and if they do not response after the stipulated date, the case would be treated as it has been approved.**

5. Fast track approval for rebuilding/renovation of houses (single & double storey). Allow renovation/rebuilding to commence upon submission of renovation/amendment plans.

**Solution:**

**MPPP Chairman Sr. Tan Cheng Chui revealed that recently, MPPP had started exercising 'On the Spot Approval' for architect.**

**6. Assignment of Approval**

MPSP & Local Government in other states which included DEWAN BANDARAYA KUALA LUMPUR (DBKL) would approve the request for assignment of approval. Only MPPP do not approve for such applications.

**Solution:**

**C.M. instructed MPPP to refer to DBKL on 'Assignment Approval'. Chief Minister YAB Lim Guan Eng said that unless MPPP could prove that DBKL is not implementing the said measure, MPPP should also allow the 'Assignment Approval' application.**

**In general, the Local Councils were urged to speed up all procedure and approval in order to accelerate the economic growth in the State.**

The meeting adjourned at 6.10 pm.