

Government set to compulsorily acquire land for MRT project, historic hotel owners say

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By Ida Lim

KUALA LUMPUR, June 12 – The government is set to compulsorily acquire the land of a historical building in the city centre here to push for its ambitious Mass Rapid Transit (MRT) railway project despite fierce protests, the Lok Ann Hotel said today.

Following a two-year long struggle with authorities, Lok Ann Hotel's owners said this move came after they refused to sign a Mutual Agreement (MA) with MRT Corp which contained terms they consider to be unfair.

"Because we cannot agree on the terms of the MA, we are now facing land acquisition, where we risk losing the entire property, which means we may lose Lok Ann," Judy Tan, a spokesperson for the hotel located at Jalan Sultan, said at a press conference here.

"The Land Administrator will make the order for acquisition tomorrow, this is what they say. Tomorrow we will go to the Land Office again and wait for the decision from the Land Administrator," Tan later added, having attended a land hearing at the Land Office earlier today.

Lok Ann's lawyer Abdul Malik Abdul Hakim told the press that there are two possible options for his clients to take up if the acquisition order is awarded tomorrow, namely through the judicial review process and under the Land Acquisition Act.

DAP's Bukit Bintang MP Fong Kui Lun said he will bring up this issue in Parliament, having described the MA as being a "lopsided agreement" that was only favourable to MRT Corp.

Under the proposed MA, MRT Corp sought to get Lok Ann to surrender its land title for realienation, which would then led to the surrender of their underground land.

Earlier in the press conference, Tan highlighted a few terms of the MA which the hotel owners had found unacceptable, including the requirement for Lok Ann to seek MRT Corp's consent for future redevelopment and sub-sale of the property.

Two other terms which Lok Ann had objected to was the giving of a Power of Attorney to MRT Corp for the land's realienation application at the Land Office, and the compensation amount as well as the payment milestone which was stretched to the project's completion.

Tan claimed the compensation was a mere "token sum" and did not reflect the actual value of Lok Ann's loss of the underground land, and did not provide for future contingencies such as property damage or injuries.

"To us, taking away part of our land without adequate and proper compensation is a land grab," she said.

MRT Corp had said it will not budge from these terms, Tan said, which led to the failure of both parties to reach a mutual agreement.

"We refuse to be forced into signing the MA, because negotiation should be on equal basis,

equal level and not under threat of the land acquisition," Tan said.

According to Lok Ann's Tan Shang Hou, the Tan family had bought the two-storey shophouse in 1938, with the building having been rebuilt in 1950.

Out of over 20 landowners in Jalan Sultan, only three – Lok Ann, Kuala Lumpur Gospel Hall and Yan Keng Benevolent Dramatic Association – were previously reported to have firmly rejected the inking of any agreements with MRT Corp.

When contacted this evening, KL Gospel Hall's elder Jimmy Chok told The Malaysian Insider that the church is currently in talks with MRT Corp on a mutual agreement, while confirming that the Land Office had not called them up for any land hearings.

"Because we have indicated that we are not accepting any land acquisition and we will work on a mutual agreement, so Land Office in this case they have been quite good, not calling us for any hearing," Chok said.

Some of the landowners had previously repeatedly pressed the government to withdraw the land acquisition gazette, saying that Prime Minister Datuk Seri Najib Razak's promise was not legally binding.

Last year, Najib had told the Jalan Sultan landowners that the previous land acquisition notice would be rescinded to pave way for a mutual agreement, saying that the notice "will be withdrawn in a matter of time".

MRT Corp, which is wholly-owned by the Ministry of Finance Incorporated, had said that it does not intend to demolish or acquire any privately-owned buildings in the Chinatown area and will only tunnel under their land.

But MRT Corp said it needed to strike mutual agreements with the Jalan Sultan landowners first before it could get the government to stop the land acquisition process.

Under the mutual agreements, landowners would reportedly continue to hold rights to their property provided they agree to vacate the area for six months to facilitate tunnelling work for the project.

The RM50 billion MRT, meant to ease traffic congestion in the Klang Valley, is Malaysia's most expensive infrastructure project to date.

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