

LEGISLATIVE COUNCIL BRIEF

USE OF THE TAMAR SITE FOR THE DEVELOPMENT OF THE CENTRAL GOVERNMENT COMPLEX

INTRODUCTION

At the meeting of the Executive Council on 30 April 2002, the Council approved that the Administration should proceed to develop the Tamar site for the new Central Government Complex (CGC) together with a new LegCo building and other compatible community facilities.

BACKGROUND AND ARGUMENT

2. The Administration has completed a review on the future use of the Tamar site. Having considered all relevant factors, it is concluded that the site be used for the development of the CGC, the new LegCo Building and other compatible community facilities.

Considerations

(a) Site Options

3. There are only two possible sites in Central which can meet the floorspace requirements of the CGC¹, namely the Tamar site or in-situ redevelopment of the Central Government Offices (CGO) and Murray Building.

¹ It is estimated that the future CGC will need a gross floor area (GFA) of about 165,000 m² for fulfilling the primary objective of bringing all Central Offices and Bureaux together in one complex. The estimated GFA is for planning purpose at this stage and may be subject to change at a later stage, having regard to the design concept and other planning parameters.

4. Similarly, there are only two possible sites in Central which can meet the floorspace requirements of the new LegCo building, namely the Tamar site or the City Hall site. Having regard to the timeframe for the development of the project and the possible constraints of the City Hall site, the Tamar site is actually the only feasible site in Central for the project.

(b) The Planning Dimension

5. The Tamar site is currently zoned for “Government, Institution or Community” and “Open Space” uses on the Central (Extension) Outline Zoning Plan. The zonings have secured broad community support after a lengthy and thorough consultation with the public.

6. The proposed CGC project is not just a long-term solution to resolve the acute shortage of office space in the existing CGO and Murray Building. It is also a community-oriented project providing a wide range of public facilities including an exhibition gallery, leisure facilities, open space and waterfront promenade for public use. A layout plan showing the current zoning and our proposed use of the Tamar site is at Annex A.

7. From the planning point of view, if the CGC and the new LegCo building are to be located at Tamar, they will become part of the major components of the New Central Waterfront. It will form an integral part of the Civic Corridor which extends from the Tamar site, through the open space deck to the north, onto the new Central Waterfront promenade. The design of the Civic Corridor would integrate with that of the proposed CGC and the new LegCo building in order to create a harmonious and coherent character as the prime civic core in Hong Kong.

(c) Demand and Supply of Grade A Office

8. We have conducted an assessment on the supply and demand of Grade A office in the short and medium terms (details at Annex B). The results show that in both the short and medium terms, there is likely to be a reasonable balance of demand and supply of Grade A office.

9. In the longer term, the development of the CGC at Tamar or in-situ redevelopment of existing CGO and Murray Building sites will not make much difference in terms of the impact on Grade A office supply, because both development options can release roughly the same magnitude of Grade A office space, albeit in different timeframes.

(d) Operational Efficiency

10. The Government Secretariat has been experiencing a severe shortage of office space for some years. The CGO and the Murray Building are not only too expensive to be properly maintained, but also too old to be capable of producing a technologically advanced working environment. Building the CGC at Tamar is obviously a better option as it will allow at least four years of earlier completion than in-situ redevelopment of CGO and Murray Building sites. Moreover, the in-situ redevelopment option requires temporary reprovisioning of offices and bureaux housed in CGO and Murray Building which will cause serious disruptions to the normal operations of the government.

(e) Location of the New Legislative Council (LegCo) Building

11. The existing LegCo building is not large enough to accommodate all LegCo facilities. Part of the LegCo Secretariat and the offices of LegCo Members are accommodated in Citibank Tower and the West Wing of the Central Government Offices. LegCo has been urging the Government to identify possible sites in centrally located area for the construction of a purpose-built building to meet the long-term accommodation requirements of LegCo. The Government is committed to seeking ways of meeting the Legislature's long-term accommodation need to bring all legislative facilities under one roof. We have had a number of discussions with LegCo since then and LegCo has expressed a

strong wish to have the new LegCo building located at the Tamar site and have the relocation project completed in early 2008.

12. Despite the proposed co-location of the CGC and the new LegCo building on the Tamar site, there should be sufficient space to maintain the separate identities of the two building complexes, given the size of the site.

IMPLEMENTATION

13. Subject to discussion with LegCo, the Government intends to have an integrated development for the CGC, new LegCo building and public facilities together with the adjoining new waterfront promenade so that the proposed form, scale and massing of the projects concerned would blend coherently with the landscape design and setting of the waterfront promenade.

14. The Government will invite expressions of interest internationally with a view to short-listing several candidates based on the merits of their conceptual designs giving relevance to Hong Kong characteristics and their capability to fulfill the ultimate ‘design and build’ contract. We shall then feed our user requirements to the short-listed candidates. Upon finalizing the technical specification required for the ‘design-and-build’ contract for the building projects, we will invite the shortlisted candidates to submit tenders for the detailed design and construction works.

FINANCIAL AND STAFFING IMPLICATIONS

15. We have conducted an assessment on the cost implications of the Tamar and in-situ redevelopment options. In pure financial terms, there is no apparent difference between the two options.

ECONOMIC IMPLICATIONS

16. Development of the Tamar site for the CGC and LegCo will involve a public investment of roughly \$6.4 billion and creation of about

5,000 jobs.

SUSTAINABILITY IMPLICATIONS

17. The proposal does not have significant sustainability implications. Overall, a new CGC will help improve operational efficiency of the Government, and the Tamar option compares more favorably with the in-situ redevelopment option in terms of net economic benefit and urban design.

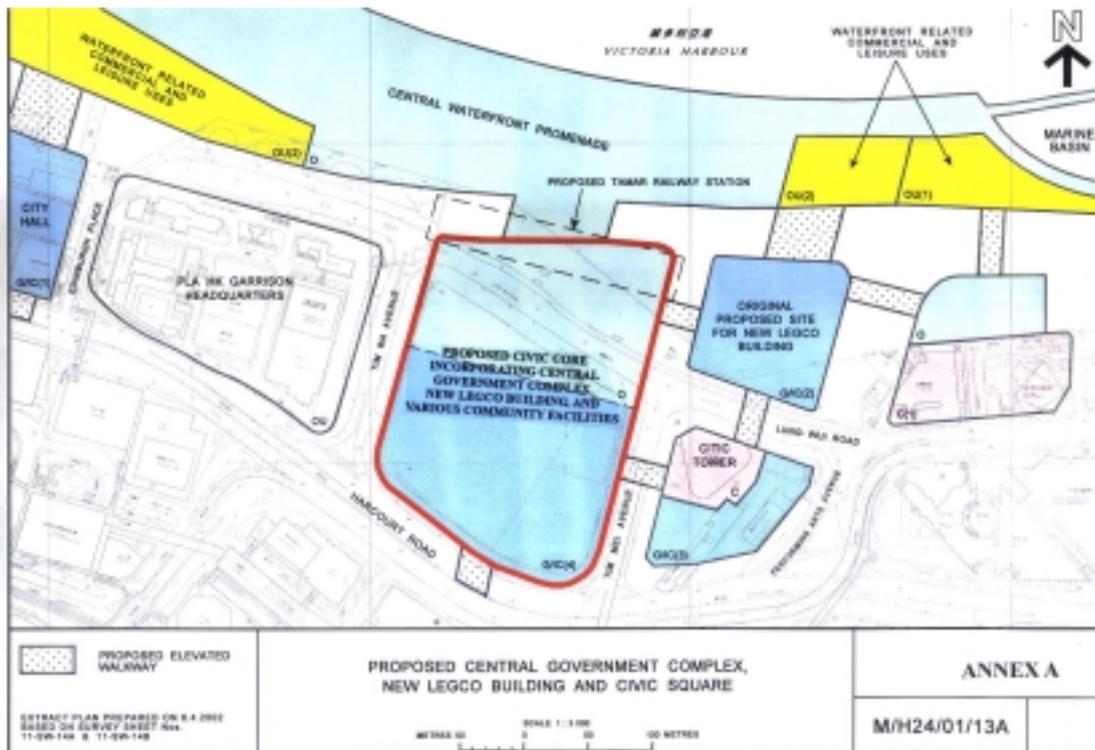
PUBLICITY

18. We shall arrange to brief LegCo Members and the media. A spokesman will be available to answer the media and public enquiries.

ENQUIRY

19. Enquiries on this Legislative Council brief may be directed to Mr Daniel Cheng, Principal Assistant Secretary for Planning and Lands at telephone no. 2848-2119.

Planning and Lands Bureau
30 April 2002
PLB(CR) 21/36 (2001) Pt. 7



Annex B

**Potential Supply and Projected Demand of Grade A Office
(GFA in m²)**

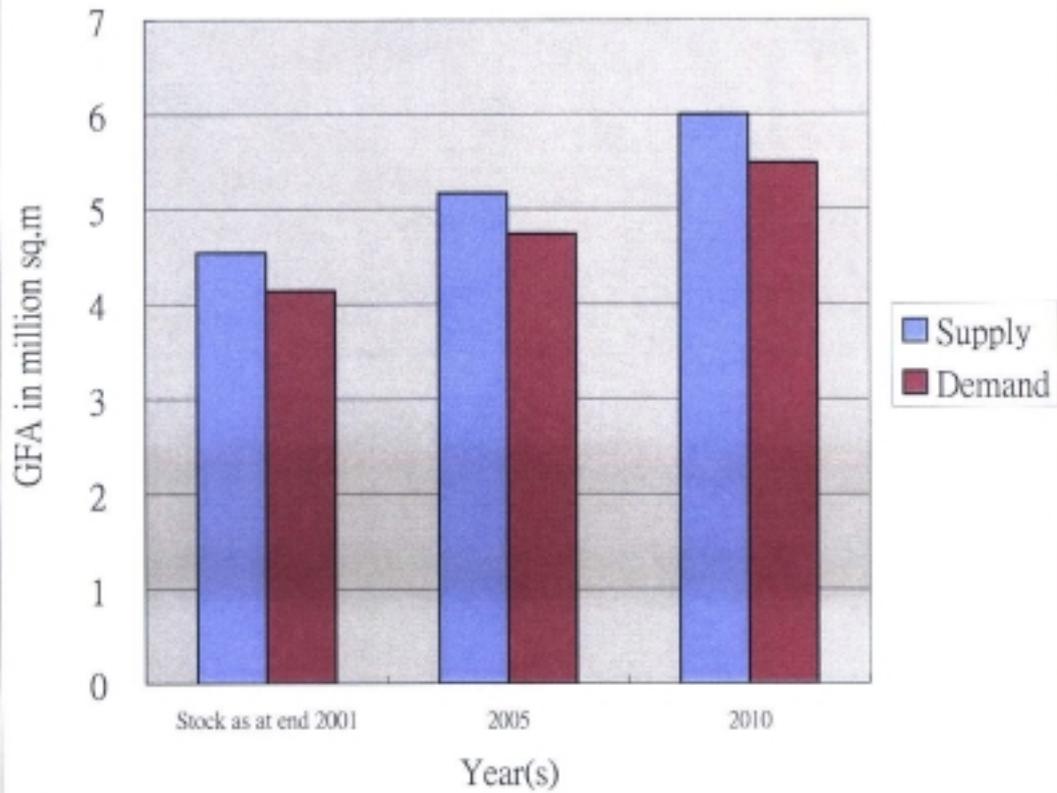
<i>Year(s)</i>	<i>Potential Supply^(a)</i>			<i>Potential Demand^(b)</i>		
	<i>CBD^(c)</i>	<i>Non-CBD</i>	<i>Total</i>	<i>CBD</i>	<i>Non-CBD</i>	<i>Total</i>
Stock as at end 2001 ^(d)	4.54M	2.39M	6.93 M	4.14M	2.19 M	6.33 M
Short term (2002-05)	0.63 M	0.81M	1.44M	0.60 M	0.68M	1.28M
Medium term (2006-10)	0.83M	1.14M ^(e)	1.97M	0.75 M	0.85M	1.60M
Total	6.00M	4.34M	10.34M	5.49M	3.72M	9.21M

The above table shows that the potential supply will be able to satisfy the projected demand in the short and medium terms. In the longer term, there are about 5.3 ha of under-utilized GIC sites in CBD (excluding CGO and Murray Building sites), which could be rezoned for commercial use to give a GFA of about 0.49Mm².

Notes –

- (a) Potential supply includes information gathered through RVD's annual property review, approved planning applications and government sites to be disposed of under the land sales programme.
- (b) Projected demand based on average take up rate of Grade A offices in the last 10 years. This is a widely used approach in the real estate market.
- (c) The Central Business District (CBD) includes Central, Wan Chai, Sheung Wan, Causeway Bay and Tsim Sha Tsui.
- (d) The office stock as at end 2001 is based on RVD's provisional figures in early 2002.
- (e) Also includes additional GFA of Grade A office generated from rezoning of land from "Industrial" use to "OU (Business)" zone.

Potential Supply and Projected Demand of Grade A Office in CBD



Potential Supply and Projected Demand of Grade A Office in both CBD and non-CBD

