

**LEGISLATIVE COUNCIL PANEL  
ON PLANNING, LANDS AND WORKS**

**Development of the  
West Kowloon Cultural District**

**INTRODUCTION**

This paper summarises for Members' easy reference the arrangements for assessment of the proposals received for the development of the West Kowloon Cultural District, the public consultation to be conducted and the tentative time table for the whole process.

**BACKGROUND**

2. The Administration has been keeping the Legislative Council (LegCo) informed of the arrangements for the development of the WKCD and the progress made so far, through a number of papers submitted to the LegCo since last year <sup>note 1</sup>.

3. At the meeting of the LegCo Panel on Planning, Lands and Works (PLW) held on 14 July 2004, Members requested the Administration to provide a further paper summarizing the assessment arrangements for the development of the WKCD, including the assessment criteria and public consultations, for Members' easy reference.

**THE INVITATION FOR PROPOSALS (IFP)**

4. The Government launched the Invitation for Proposals (IFP) on 5 September 2003 to invite submissions of proposals from the private sector (both local and international) for the planning, design, financing and construction of the West Kowloon Cultural District as an integrated development of world class arts, cultural, entertainment and commercial

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<sup>note 1</sup> LC Paper No. CB(1) 2104/02-03(03), LC Paper No. CB(1) 322/03-04(06), LC Paper No. CB(1) 1353/03-04(01) and LC Paper No. CB(1) 2231/03-04(01).

facilities and the subsequent operation, maintenance and management of those facilities. The aim is to secure a proposal that will provide world class facilities and can demonstrate a high standard of operation and management of those facilities. Government's Baseline for the development, set out in the IFP, is a modified version of the first prize winning entry to the Concept Plan Competition conducted by the Government in April 2001. A computer generated image of the Baseline scheme is at Annex A. The key development components in Government's Baseline and details of the core arts and cultural facilities and other facilities extracted from the IFP are at Annex B. The whole IFP including all the annexes and plans was submitted to the LegCo Secretariat for Members' information. It has also been uploaded to the WKCD project website on 5 September 2003. Three addenda were subsequently made to the IFP which were also uploaded to the project website.

### **The Mandatory Requirements**

5. The IFP sets out clearly the Mandatory Requirements with which a proposal must comply. The IFP also states clearly in the Important Note that proposals which fail to comply with any of the Mandatory Requirements will be treated as non-conforming proposals and will not be considered further by the Government. The Mandatory Requirements cover mainly the proponent's capability, project-related requirements and restrictions on submission of multiple proposals by one proponent. Details of the Mandatory Requirements are set out in Annex C.

### **The Assessment Criteria**

6. The IFP requires proponents to submit a proposal comprising a technical proposal, an operation/maintenance/management proposal and a financial proposal. Each of these proposals carries equal weight. Detailed criteria for assessing each of these proposals are set out clearly in Annex 3.1 to the IFP. They are reproduced in Annex D.

## **The Assessment Process**

7. By the deadline for submission of proposals on 19 June 2004, a total of 5 proposals were received. The first step being taken by the Government is to check and determine whether these proposals comply with the stipulated Mandatory Requirements. Proposals which do not comply with the Mandatory Requirements will not be further assessed.

8. Proposals that comply with the Mandatory Requirements will be further assessed by the Proposals Evaluation Committee (PEC) comprising senior civil servants and headed by the Permanent Secretary for Housing, Planning and Lands (Planning and Lands). The PEC is assisted by dedicated assessment teams drawn from relevant bureaux and departments of the Government. The PEC and the assessment teams will carry out detailed and meticulous appraisal and analysis of the three aspects of the proposals mentioned in paragraph 6 above. To safeguard the integrity of the assessment process and to ensure that the proposals will be assessed in a fair and impartial manner, all officials responsible for the assessment are required to follow very strict guidelines and procedures that have been prepared for this project with the help of the Independent Commission Against Corruption (ICAC). The ICAC will act as an observer throughout the entire assessment process. Upon completion of the assessment of all the proposals that meet the Mandatory Requirements, the PEC will submit a detailed assessment report to the Steering Committee for the Development of the WKCD, which is chaired by the Chief Secretary for Administration and comprises relevant Directors of Bureaux and Heads of Departments, for review.

## **Public Consultations**

9. To enhance transparency and to promote the widest possible public participation, the Government plans to organize a public exhibition of all the proposals that comply with the Mandatory Requirements in early 2005. This will form part of the arrangements on public consultation, which will include in particular discussions with the professional bodies, the arts and culture community, the Town Planning Board and the Legislative Council. These arrangements were announced publicly and uploaded to the WKCD project website in March

2004.

10. Physical models and exhibits prepared by the proponents themselves showing details of the technical aspects of the proposals and the proposed arrangements regarding operation, maintenance and management of the arts and cultural facilities will be displayed. To protect commercially sensitive information, only key information on the financial aspects will be released. The views received in the public consultation will be taken into account in the selection of a most preferred proposal.

### **Provisional Agreement**

11. The preferred scheme will be submitted to the Town Planning Board (TPB) for consideration and agreement. Advice will also be sought from the Legislative Council. Taking into account the views of the TPB and the Legislative Council, a final package will be submitted to Chief Executive in Council for approval.

12. Subject to approval of the final package by the Chief Executive in Council, a Provisional Agreement will be signed with the scheme proponent. The Government will submit the development parameters (including the maximum gross floor area, plot ratio for domestic and non-domestic development, maximum building heights and open space requirements) of the selected scheme to the TPB for inclusion in the South West Kowloon Outline Zoning Plan (OZP). The OZP incorporating the selected scheme, including any amendments to it, will be processed in accordance with the statutory procedures laid down in the Town Planning Ordinance.

### **Project Agreement**

13. The Successful Proponent will have to fulfill the obligations set out in the Provisional Agreement within about twelve months after execution of the Provisional Agreement. These obligations include the preparation of a detailed masterplan supported by feasibility studies and completion of all necessary statutory procedures (e.g. those required under the Environmental Impact Assessment Ordinance), and detailed

design to enable commencement of construction works on site. Subject to the satisfactory completion of all necessary statutory procedures, including the approval of the OZP, a draft Project Agreement will be submitted to Chief Executive in Council for consideration. Subject to the approval of the Chief Executive in Council, the Government will sign the Project Agreement with the successful Proponent. The Legislative Council will be briefed on the terms of the Project Agreement.

**Estimated Time-Table**

14. The estimated time-table for the various stages of work relating to the development project is as follows :

<b><u>Events</u></b>	<b><u>Estimated Time</u></b>
Completion of assessment of proposals	End 2004
Public consultations including consultation with TPB and LegCo	Early 2005
Consult TPB and LegCo on preferred scheme	Late 2005
Execution of Provisional Agreement	End 2005
Execution of Project Agreement	Early 2007
Commencement of construction works	April 2007
Completion of Core Arts and Cultural Facilities in phases	Early 2011 to late 2013

The above estimated time table may be subject to change, depending on the progress of each stage.

**Housing, Planning and Lands Bureau  
July 2004**



The key development components in Government's Baseline and details of the core arts and cultural facilities and other facilities extracted from IFP

#### 4.2.4 Development Schedule

- (iv) The key development components and their respective GFA shown in the following table set out Government's Baseline in accordance with which the Development can be undertaken.

**TABLE 2**

KEY DEVELOPMENT COMPONENTS	GOVERNMENT'S BASELINE Plot ratio: 726,285 m <sup>2</sup> /40.09 ha = 1.81	
	GFA (m <sup>2</sup> )	%
Core Arts and Cultural Facilities*	213,950 (NOFA = 176,160 m <sup>2</sup> )	29.4
Commercial/Office	492,335	67.8
Hotel/Residential		
Entertainment/Retail/Restaurants		
Other Arts and Cultural Facilities		
Others (to include GIC and Utility Facilities – see Section 4.2.5(g))	20,000	2.8
<b>Total</b>	<b>726,285</b>	<b>100</b>

\* Including 6,425 m<sup>2</sup> GFA of shops and catering facilities within the various arts and cultural facilities

- (v) The GFAs are indicated for the purposes of calculating the development intensity as well as for other purposes. In addition to the requirements for the designated function for the Core Arts and Cultural Facilities, a minimum requirement for catering and retail uses is specified for each facility which must also be provided.
- (c) **Arts and Cultural Facilities**

A list of the Core Arts and Cultural Facilities is specified in **Table 3** below. For the Museum Cluster, the preferred themes are that of the moving image, modern art, ink and design, as set out in **Table 3** below. Alternative themes may also be proposed but they should be supported by justifications. The Other Arts and Cultural Facilities as indicated in **Table 4** below should also be provided within the Development as appropriate.

The key development components in Government's Baseline and details of the core arts and cultural facilities and other facilities extracted from IFP

TABLE 3

CORE ARTS AND CULTURAL FACILITIES	SEATING CAPACITY	NOFA (m <sup>2</sup> )	GFA (m <sup>2</sup> )
<b>(1) Theatre Complex</b>			
(a) Theatre A	At least 2,000	27,455	34,319
(b) Theatre B	At least 800	10,920	13,650
(c) Theatre C	At least 400	3,615	4,519
Subtotal	-	41,990	52,488
<b>(2) Performance Venue</b>	At least 10,000	43,820	54,775
<b>(3) Museum Cluster (preferred themes as stated in (a) to (d)) and Art Exhibition Centre</b>			
(a) Museum of the Moving Image	Around 500 (IMAX Theatre)	20,000	25,000
(b) Museum of Modern Art	-	55,350*	69,187
(c) Museum of Ink	-		
(d) Museum of Design	-		
(e) Art Exhibition Centre	-	10,000	12,500
Subtotal	-	85,350	106,687
<b>(4) Water Amphitheatre</b>	Around 5,000	5,000	non-accountable
<b>Total</b>		<b>176,160</b>	<b>213,950</b>
<b>(5) At least four distinct Piazza Areas</b>	-	30,000 m <sup>2</sup> site area**	

Note: \* This is the total NOFA of three of the four museums sharing common areas and supporting service areas.

\*\* This is the total site area for the four distinct Piazza Areas. Additional Piazza Areas, if any, may be provided.

TABLE 4

<b>OTHER ARTS AND CULTURAL FACILITIES</b>
Commercial and themed entertainment facilities such as circuses, theatres, cinemas, commercial art galleries, art spaces, arts training facilities, workshops and studios.

**West Kowloon Cultural District Development**  
**List of Mandatory Requirements**

1. The **observance of the IMPORTANT NOTE** shall be **MANDATORY** and any counterproposal on any terms contained in the **IMPORTANT NOTE** shall render the Proposal non-conforming.
2. **Proponent's Capability**
  - (i) Developing at least one mixed-use property development with a total construction cost of not less than HK\$3 billion adjusted to current prices.
  - (ii) Managing office and/or retail developments with a total Gross Floor Area (GFA) of not less than 250,000 square metres at any one time, with at least one such development exceeding a GFA of 100,000 square metres.
  - (iii) Marketing and leasing of property developments with a total GFA of not less than 250,000 square metres at any one time, with at least one such development exceeding a GFA of 100,000 square metres.
3. **Project Related Requirements**
  - (i) The provision of the Core Arts and Cultural Facilities as follows: -
    - Theatre Complex comprising three theatres with seating capacities of at least 2,000, 800 and 400 seats, respectively;
    - Performance Venue with a seating capacity of at least 10,000 seats;
    - Museum Cluster comprising four museums of differing themes with total Net Operating Floor Area of at least 75,000 square metres;
    - Art Exhibition Centre with Net Operating Floor Area of at least 10,000 square metres;
    - Water Amphitheatre; and.
    - At least four Piazza Areas.
  - (ii) The provision of the Canopy covering at least 55% of the Development Area.
  - (iii) The demolition and re-provisioning of the Tsim Sha Tsui Fire Station Complex.
4. **Conditions of Submission**
  - (i) Proposals shall be submitted on or before 12:00 noon on Saturday, 19 June 2004.
  - (ii) Government will reject any Proposal by a Proponent where the Proponent, or any member in the Corporate Group of which the Proponent is a member, or any Associate or Associated Person of the Proponent, or in the case of a Proponent which is a consortium or joint venture company, any one or more participants or shareholders of the consortium or joint venture company having a Participation or Interest in the consortium or joint venture company, has or have in the opinion of Government, a Participation or Interest in another Proponent. All such Proposals shall be disqualified. It is a **MANDATORY REQUIREMENT** that the Proponent must not submit any such Proposal.

**ASSESSMENT CRITERIA**

The Assessment Criteria consist of four Parts which are set out as follows :

**PART A : Compliance with MANDATORY REQUIREMENTS (Pass/Fail)**

Item	Aspects for assessment (pass or fail)	
1.	Paragraph 1.2 of the IMPORTANT NOTE	Yes/No
2.	Proponent's capability	Yes/No
3.	Project-related requirements	Yes/No
4.	Conditions of submission	Yes/No

**PART B : Technical Proposal (100 marks)**

Item	Broad aspects for assessment (to be marked)	Marks
5.	Preliminary Masterplan	30
6.	Conceptual Design for arts and cultural facilities and open space	35
7.	Conceptual Design for other facilities	5
8.	Broad Technical Assessment and Solution for the Canopy	10
9.	Other Broad Technical Assessments and Solutions	15
10.	Project/Programme Management	5

**PART C : Financial Proposal (100 marks)**

Item	Broad aspects for assessment (to be marked)	Marks
11.	Proponent's financial capability and commitment	25
12.	Proponent's financial proposals for the Project	75

**PART D : Operation, Maintenance and Management Proposal (100 marks)**

Item	Broad aspects for assessment (to be marked)	Marks
13.	Operation, maintenance and management of arts and cultural facilities	60
14.	Operation, maintenance and management of commercial (including retail and entertainment), office, hotel and residential developments and open space	20
15.	Operation, maintenance and management of other facilities	15
16.	Overall traffic and crowd control management	5

**PART A: Compliance with MANDATORY REQUIREMENTS (Pass/Fail)**

Item	Aspects for Assessment	
1.	<b>Paragraph 1.2 of the IMPORTANT NOTE</b>	
	<b>Paragraph 1.2 of the IMPORTANT NOTE :</b> Observance of the <b>IMPORTANT NOTE</b>	Yes/No
2.	<b>Proponent's Capability</b>	
	<p><b>Property development, management and marketing capability :</b> The Proponent, or the person with a Participation or Interest in the Proponent, or, in the case of a Proponent which is a consortium or joint venture company, any one or more participants of the consortium or shareholders in the joint venture company who has/have a Participation or Interest in the consortium or joint venture company, must have and be shown to have relevant direct experience within 15 years before the date of issue of the Invitation within or outside Hong Kong, in-</p> <p style="padding-left: 40px;">(i) developing at least one mixed-use property development with a total construction cost of not less than HK\$3 billion adjusted to current prices, with the basis of adjustment shown; and</p> <p style="padding-left: 40px;">(ii) managing office and/or retail developments with a total GFA of not less than 250,000 square metres at any one time, with at least one such development exceeding a GFA of 100,000 square metres; and</p> <p style="padding-left: 40px;">(iii) marketing and leasing of property developments with a total GFA of not less than 250,000 square metres at any one time, with at least one such development exceeding a GFA of 100,000 square metres.</p>	<p>Yes/No</p> <p>Yes/No</p> <p>Yes/No</p>
3.	<b>Project-related Requirements</b>	
(a)	<p>The provision of the Core Arts and Cultural Facilities as follows :</p> <p style="padding-left: 40px;">(i) Theatre Complex comprising three theatres with seating capacities of at least 2,000, 800 and 400 seats, respectively;</p> <p style="padding-left: 40px;">(ii) Performance Venue with a seating capacity of at least 10,000 seats;</p> <p style="padding-left: 40px;">(iii) Museum Cluster comprising four museums of differing themes with total Net Operating Floor Area of at least 75,000 square metres;</p> <p style="padding-left: 40px;">(iv) Art Exhibition Centre with Net Operating Floor Area of at least 10,000 square metres;</p> <p style="padding-left: 40px;">(v) Water Amphitheatre; and</p> <p style="padding-left: 40px;">(vi) At least four Piazza Areas.</p>	<p>Yes/No</p> <p>Yes/No</p> <p>Yes/No</p> <p>Yes/No</p> <p>Yes/No</p> <p>Yes/No</p>
(b)	The provision of the Canopy covering at least 55% of the Development Area.	Yes/No
(c)	The demolition and re-provisioning of the Tsim Sha Tsui Fire Station Complex.	Yes/No

<b>4.</b>	<b>Conditions of Submission</b>	
	Compliance with :	
(a)	Restriction on Multiple Proposals	Yes/No
(b)	Submission Deadline	Yes/No

**PART B – Technical Proposal (100 marks)**

<b>Item</b>	<b>Broad Aspects for Assessment</b>
<b>5.</b>	<b>Preliminary Masterplan (30 marks)</b>
(a)	<p><b>Design concept :</b> Adequacy in meeting requirements for –</p> <ul style="list-style-type: none"> <li>(i) adherence to the key features of Government’s Baseline, to the extent required; and</li> <li>(ii) incorporation of additional or alternative ideas to enhance Government’s Baseline without affecting its integrity (may include, for example, additional arts, cultural or entertainment features from other prize-winning entries to the concept plan competition or additional green initiatives).</li> </ul>
(b)	<p><b>Layout and overall built form :</b> Adequacy in meeting requirements for –</p> <ul style="list-style-type: none"> <li>(i) compatibility, integration and balance of land uses and adequacy of provision for facilities required;</li> <li>(ii) planning efficiency of circulation systems (including the APM), adequacy of linkages and integration achieved within and outside the Development Area;</li> <li>(iii) provision of quality open space, landscaping and supporting facilities; and</li> <li>(iv) cohesiveness and harmony, taking into account the disposition and height of buildings and their overall profile and structures.</li> </ul>
<b>6.</b>	<b>Conceptual Design for Arts and Cultural Facilities and Open Space (35 marks)</b>
(a)	<p><b>Core Arts and Cultural Facilities :</b> Achievement in -</p> <ul style="list-style-type: none"> <li>(i) creation of a prominent landmark in Victoria Harbour;</li> <li>(ii) provision of state-of-the-art facilities to create a critical mass for cultural development in Hong Kong;</li> <li>(iii) architectural design; and</li> <li>(iv) quality of the conceptual design in – <ul style="list-style-type: none"> <li>● internal circulation and functional relationship</li> <li>● statement on design philosophy for planning of each of the Core Arts and Cultural Facilities, seating layout, etc. and design parameters for acoustic, stage engineering and lightings, and building services works etc.</li> </ul> </li> </ul>
(b)	<p><b>Other Arts and Cultural Facilities :</b> Achievement in –</p> <ul style="list-style-type: none"> <li>(i) provision of a balanced mix of facilities complementary to the Core Arts and Cultural Facilities; and</li> <li>(ii) efficient internal circulation and functional relationship.</li> </ul>
(c)	<p><b>Open space :</b> Achievement in –</p> <ul style="list-style-type: none"> <li>(i) quality of layout in relation to the buildings and facilities within the Development, site context in the vicinity and the harbour;</li> <li>(ii) quality of planting layout, choice of species, size and density of planting materials; and</li> <li>(iii) considerations for crowd safety factors.</li> </ul>

<b>7.</b>	<b>Conceptual Design for Other Facilities (5 marks)</b>
(a)	<p><b>Commercial, retail, office, hotel, residential and entertainment facilities :</b> Achievement in –</p> <ul style="list-style-type: none"> <li>(i) compatibility with the Core Arts and Cultural Facilities to create a signature landmark in Victoria Harbour;</li> <li>(ii) compatibility with the horizontality and undulating form as defined by the Canopy;</li> <li>(iii) provision of a balanced development mix to create a self-sufficient development, in response to the market demand; and</li> <li>(iv) efficient internal circulation and functional relationship.</li> </ul>
(b)	<p><b>GIC and Utility Facilities :</b> Achievement in –</p> <ul style="list-style-type: none"> <li>(i) compatibility with other facilities in the Development; and</li> <li>(ii) fulfillment of the requirements of the Schedules of Accommodation and Technical Schedules.</li> </ul>
<b>8.</b>	<b>Broad Technical Assessment and Solution for the Canopy (10 marks)</b>
(a)	<p><b>Design characteristics :</b> Achievement in –</p> <ul style="list-style-type: none"> <li>(i) adhering to the design intents of Foster Scheme;</li> <li>(ii) quality of indicative detail design;</li> <li>(iii) efficiency in speedy dissipation of smoke and heat in case of fire on buildings underneath the Canopy; and</li> <li>(iv) sustainability, green features and desirable micro-climatic conditions.</li> </ul>
(b)	<p><b>Structural design :</b> Achievement in –</p> <ul style="list-style-type: none"> <li>(i) elegance of structural design, including integration with building structures underneath;</li> <li>(ii) adequacy of structural design approach and wind engineering study;</li> <li>(iii) optimization and efficiency of structural design; and</li> <li>(iv) practicality of construction methodology.</li> </ul>

9.	<b>Other Broad Technical Assessments and Solutions (15 marks)</b>
(a)	<p><b>Engineering studies :</b> Adequacy in meeting engineering requirements, including identification of key issues and provision of cost-effective, safe and technically feasible solutions, for –</p> <ul style="list-style-type: none"> <li>(i) realignment of the sea-wall;</li> <li>(ii) decking-over of the tunnel portal of Western Harbour Crossing;</li> <li>(iii) building over/around the two ventilation buildings;</li> <li>(iv) providing the Pier with berthing facilities suitable for harbour cruises, pleasure craft, possible ferry services and public use; and</li> <li>(v) addressing development constraints and interfacing issues.</li> </ul>
(b)	<p><b>Traffic and transport studies :</b></p> <ul style="list-style-type: none"> <li>(i) Appropriateness of assessment of the traffic impact of the Proposal;</li> <li>(ii) Adequacy in meeting requirements to provide effective, feasible and practical improvement measures to mitigate the adverse impact of the Proposal;</li> <li>(iii) Appropriateness of forecast of demand for public transport services and vehicular and pedestrian access; and</li> <li>(iv) Adequacy in meeting requirements for design of appropriate, efficient, convenient, environmentally friendly and safe – <ul style="list-style-type: none"> <li>● vehicular access, circulation, loading/unloading/drop-off and parking</li> <li>● pedestrian access, circulation and linkage.</li> </ul> </li> </ul>
(c)	<p><b>Automated People Mover System study :</b></p> <ul style="list-style-type: none"> <li>(i) Appropriateness of APM to meet forecast of demand for APM service; and</li> <li>(ii) Adequacy in meeting requirements for design of an automated transport system that will – <ul style="list-style-type: none"> <li>● provide a modern, cost effective, efficient, safe, reliable and environmentally-friendly service that is easy to construct, operate and maintain and matches surrounding features</li> <li>● through its alignment, location of stations and interchange facilities, integrate well with the other key components of the masterplan and nearby transport nodes whilst minimizing its impact on adjacent areas.</li> </ul> </li> </ul>
(d)	<p><b>Environmental studies :</b></p> <ul style="list-style-type: none"> <li>(i) Adequacy in – <ul style="list-style-type: none"> <li>● identifying main environmental impacts generated by the Proposal</li> <li>● providing feasible and effective mitigation of the environmental impacts within the established standards; and</li> </ul> </li> <li>(ii) Any insurmountable environmental problems which might be generated by the Proposal.</li> </ul>
(e)	<p><b>Other assessments :</b></p> <ul style="list-style-type: none"> <li>(i) Adequacy of assessments of impact on marine traffic and navigation; and</li> <li>(ii) Extent to which the Proposal has regard to concepts of sustainable development.</li> </ul>

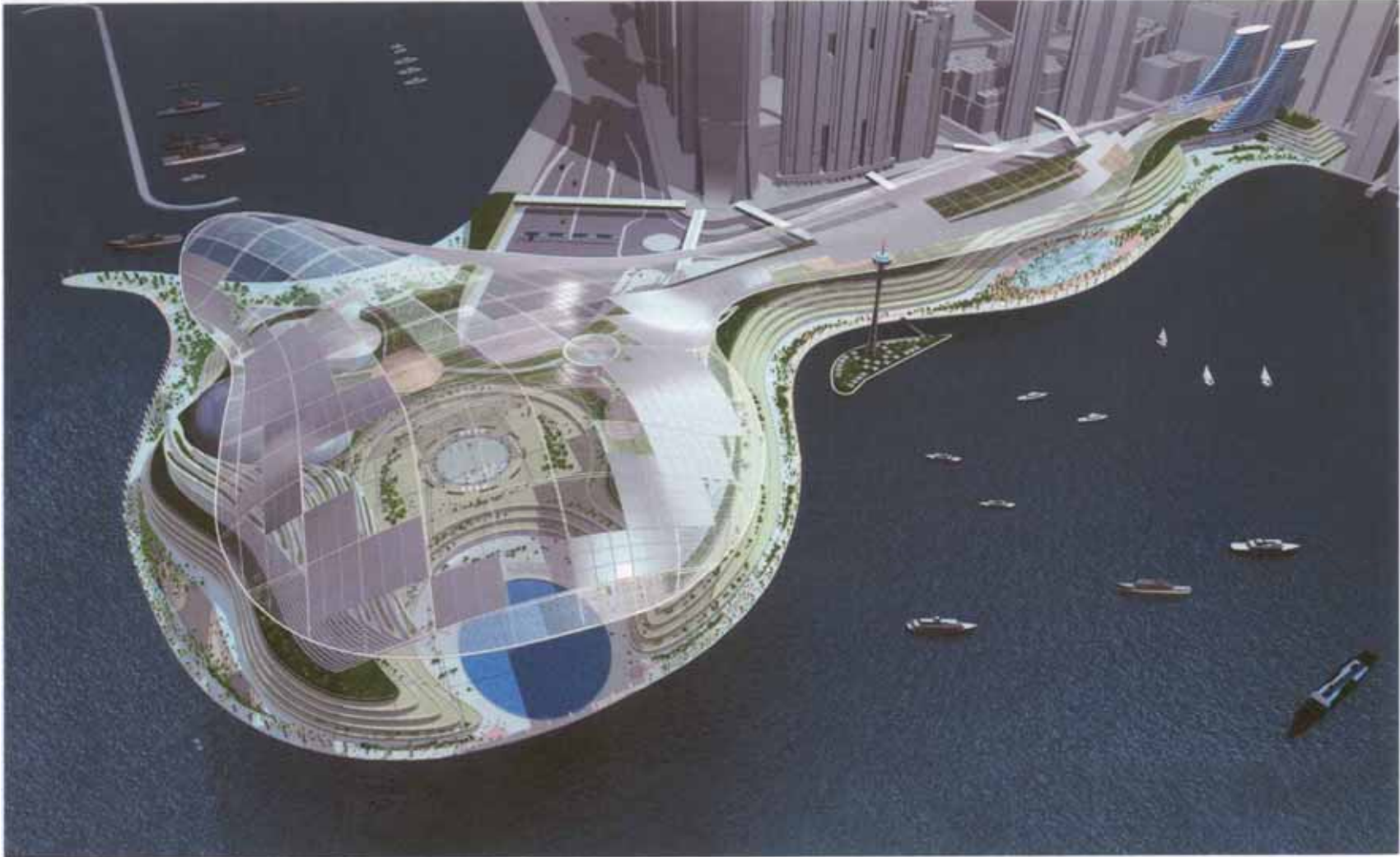
10.	<b>Project/Programme Management (5 marks)</b>
(a)	<b>Project management :</b> Acceptability of proposals for – (i) efficient and effective project management; (ii) quality of design team(s); (iii) independent checking of quality of design and construction work; and (vi) quality assurance and management.
(b)	<b>Programme management :</b> Acceptability of programme for implementation of the Project, including – (i) critical planning, design and construction activities and other activities related to the timely commencement of operation of the Core Arts and Cultural Facilities; and (ii) timing of provision of individual components and services to tie in with overall development programme.

**PART C – Financial Proposal (100 marks)**

<b>Item</b>	<b>Broad Aspects for Assessment</b>
<b>11.</b>	<b>Proponent's Financial Capability and Commitment (25 marks)</b>
(a)	<b>Ability to finance and adequacy of financial commitment to the Project</b> in terms of – <ul style="list-style-type: none"> <li>(i) level of investment throughout the term of the Land Grant;</li> <li>(ii) evidence of support from financial institutions and other financiers;</li> <li>(iii) reasonableness of capital and organizational structure; and</li> <li>(iv) undertakings, guarantees, indemnities and/or performance bonds provided.</li> </ul>
<b>12.</b>	<b>Proponent's Financial Proposals for the Project (75 marks)</b>
(a)	<b>Proponent's financial appraisal of the Project :</b> Reasonableness in terms of – <ul style="list-style-type: none"> <li>(i) justification for and reasonableness of the assumptions used.</li> </ul>
(b)	<b>Proponent's financial package :</b> Acceptability in terms of – <ul style="list-style-type: none"> <li>(i) robustness of the financial model; and</li> <li>(ii) robustness of the risk management strategy.</li> </ul>
(c)	<b>Financial implications and risk for Government :</b> Acceptability in terms of – <ul style="list-style-type: none"> <li>(i) amount of revenue, such as land premium or royalties, offered;</li> <li>(ii) requirement for Government support, if any; and</li> <li>(iii) other residual risks to be borne by Government under the Proposal and mode of operation of various facilities.</li> </ul>
(d)	<b>Long term viability :</b> Likelihood of the Project being financially viable, taking into account factors such as ability to – <ul style="list-style-type: none"> <li>(i) raise the required capital and service any debt;</li> <li>(ii) maintain full operation throughout;</li> <li>(iii) withstand shortfalls in revenue; and</li> <li>(iv) withstand programme delay and/or increase in costs including development costs and recurrent costs.</li> </ul>

**PART D – Operation, Maintenance and Management Proposal (100 marks)**

Item	Broad Aspects for Assessment
13.	<b>Operation, Maintenance and Management of Arts and Cultural Facilities (60 marks)</b>
(a)	<p><b>Mission statement :</b> Acceptability in terms of stated commitment to –</p> <ul style="list-style-type: none"> <li>(i) enhancing the overall development of the arts and cultural scene in Hong Kong and the preservation and promotion of local cultural heritage;</li> <li>(ii) creating an environment conducive to attracting major performers and capacity audiences;</li> <li>(iii) enabling development of creative industries in Hong Kong;</li> <li>(iv) working co-operatively with local cultural and tourism authorities, particularly in promoting Hong Kong as a major centre of arts and culture; and</li> <li>(v) a style of governance that is open to community involvement.</li> </ul>
(b)	<p><b>Themes and programme content :</b></p> <ul style="list-style-type: none"> <li>(i) Acceptability of proposed themes for museums and galleries; and</li> <li>(ii) Adequacy of exhibition and cultural programme content.</li> </ul>
(c)	<p><b>Business strategy and operation plan for Core Arts and Cultural Facilities :</b> Acceptability in terms of encouraging sustained patronage and support from –</p> <ul style="list-style-type: none"> <li>(i) the local community;</li> <li>(ii) the tourism industry and tourists; and</li> <li>(iii) non-governmental organizations and the private sector as potential funding sources, contributors, sponsors and partners.</li> </ul>
(d)	<p><b>Mode of governance for Core Arts and Cultural Facilities :</b> Acceptability in terms of –</p> <ul style="list-style-type: none"> <li>(i) organizational and legal structure;</li> <li>(ii) expert and community participation;</li> <li>(iii) transparency of operation and public accountability; and</li> <li>(iv) compatibility with the business plan.</li> </ul>
(e)	<p><b>Human resources strategy and staff structure for Core Arts and Cultural Facilities :</b> Acceptability in terms of –</p> <ul style="list-style-type: none"> <li>(i) the level of expertise of specialists/consultants/operators to be engaged;</li> <li>(ii) the strength and potential effectiveness of the management structure and staffing levels proposed; and</li> <li>(iii) the maximization and development of local talents.</li> </ul>
(f)	<p><b>Other Arts and Cultural Facilities :</b> Acceptability of the preliminary operation and management plan in terms of –</p> <ul style="list-style-type: none"> <li>(i) themes and content;</li> <li>(ii) management strategy;</li> <li>(iii) programme policy;</li> <li>(iv) complementary with Core Arts and Cultural Facilities; and</li> <li>(v) business strategy.</li> </ul>
(g)	<p><b>Maintenance :</b> Adequacy of the preliminary maintenance plans.</p>



<b>14.</b>	<b>Operation, Maintenance and Management of Commercial (including Retail and Entertainment), Office, Hotel and Residential Developments and Open Space (20 marks)</b>
(a)	<b>Commercial, office, hotel and residential facilities :</b> Acceptability of – (i) preliminary operation and management plan; (ii) preliminary maintenance plan; and (iii) preliminary plan for marketing, promotion, sale and leasing of properties.
(b)	<b>Open space :</b> Acceptability of – (i) preliminary operation and management plan; and (ii) preliminary maintenance plan
<b>15.</b>	<b>Operation, Maintenance and Management of Other Facilities (15 marks)</b>
(a)	<b>The Canopy :</b> Adequacy of preliminary operation, maintenance and management plan for – (i) operation, management, maintenance and cleaning team; and (ii) cleaning, operation, and maintenance strategy.
(b)	<b>Automated People Mover System:</b> Acceptability in terms of – (i) soundness of management structure; (ii) provision of adequate system maintenance facilities; and (iii) ability to provide a safe, reliable and affordable service.
(c)	<b>Pier :</b> Adequacy in providing effective operational management and maintenance.
<b>16.</b>	<b>Overall Traffic and Crowd Control Management (5 marks)</b>
(a)	<b>Adequacy of preliminary traffic, security and crowd control plans</b> for – (i) security systems and services; (ii) traffic and parking control; (iii) crowd control; and (iv) emergency evacuation.