

立法會
Legislative Council

Paper No. WKCD-336
(These minutes have been
seen by the Administration)

Ref : CB1/HS/2/04

**Subcommittee on
West Kowloon Cultural District Development**

**Minutes of twenty-fifth meeting held on
Thursday, 6 April 2006, at 4:30 pm
in Conference Room A of the Legislative Council Building**

Members present : Hon Alan LEONG Kah-kit, SC (Chairman)
Hon James TO Kun-sun (Deputy Chairman)
Hon James TIEN Pei-chun, GBS, JP
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon SIN Chung-kai, JP
Hon Emily LAU Wai-hing, JP
Hon CHOY So-yuk, JP
Hon Albert CHAN Wai-yip
Hon Audrey EU Yuet-mee, SC, JP
Hon LEUNG Kwok-hung
Dr Hon KWOK Ka-ki

Members absent : Dr Hon LUI Ming-wah, SBS, JP
Hon CHAN Yuen-han, JP
Hon CHAN Kam-lam, SBS, JP
Hon Jasper TSANG Yok-sing, GBS, JP
Hon LAU Wong-fat, GBM, GBS, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon LEE Wing-tat
Hon CHEUNG Hok-ming, SBS, JP
Hon CHIM Pui-chung
Hon Patrick LAU Sau-shing, SBS, JP
Hon Albert Jinghan CHENG

**Public officers
attending**

: Dr Patrick HO, JP
Secretary for Home Affairs

Ms Esther LEUNG
Deputy Secretary for Home Affairs

Miss Agnes TANG
Acting Deputy Director (Culture)
Leisure and Cultural Services Department

Mr Vincent FUNG
Principal Assistant Secretary for Home Affairs

Mr Michael SUEN, GBS, JP
Secretary for Housing, Planning and Lands

Mrs Rita LAU, JP
Permanent Secretary for Housing, Planning and
Lands (Planning and Lands)

Miss AU King-chi, JP
Deputy Secretary for Housing, Planning and Lands
(Planning and Lands)

Clerk in attendance

: Ms Anita SIT
Chief Council Secretary (1)4

Staff in attendance

: Mr Jimmy MA
Legal Adviser

Ms Pauline NG
Assistant Secretary General 1

Ms Bernice WONG
Assistant Legal Adviser 1

Mr Anthony CHU
Council Secretary (1)2

Ms Christina SHIU
Legislative Assistant (1)7

I Confirmation of minutes of meeting

- (Paper No. WKCD-244 -- Minutes of meeting on
14 November 2005
- Paper No. WKCD-246 -- Minutes of meeting on
25 November 2005
- Paper No. WKCD-249 -- Minutes of meeting on
13 December 2005)

The minutes of the meetings held on 14 and 25 November 2005 and 13 December 2005 respectively were confirmed.

II Information note issued since last meeting

- (Paper No. WKCD-245 -- Information note on “Land disposal cases to illustrate the need for Legislative Council to have access to documentations relevant to issues under its examination” prepared by the Legislative Council Secretariat)

2. Members noted the above information note issued since last meeting. The Chairman informed members that the information note was prepared pursuant to the Subcommittee’s request at a previous meeting to facilitate the Subcommittee to consider the scope of documents, in particular documents relevant to the communication between the Government and the proponents under the Invitation for Proposals (IFP), that should be ordered for production in the event the powers under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) were to be exercised. As the Administration had terminated the IFP process, it was no longer necessary to pursue the matter. Members agreed.

III Update on the West Kowloon Cultural District Development and the Administration’s response to members’ questions on the statement made by the Chief Secretary for Administration on 21 February 2006

- (Paper No. WKCD-242 -- The statement made by the Chief Secretary for Administration at the meeting on 21 February 2006
- Paper No. WKCD-247 -- Questions raised by members on the statement made by the Chief Secretary for Administration at the meeting on 21 February 2006
- Paper No. WKCD-248 -- The Administration’s response to members’ requests relating to the West Kowloon Cultural District Development)

3. The Chairman drew members' attention to the paper provided by the Administration in response to the questions raised by members on the statement made by the Chief Secretary for Administration (CS) on 21 February 2006 (Paper No. WKCD-248). Members also noted that the press release of the Administration on the appointments to the Consultation Committee on Core Arts and Cultural Facilities of the West Kowloon Cultural District (CC) and its three Advisory Groups (AGs) was tabled at the meeting.

4. The Secretary for Home Affairs (SHA) gave an introductory speech on the establishment of the CC and the AGs and the five basic principles to which the Administration would adhere in formulating the way forward for the West Kowloon Cultural District (WKCD).

(Post-meeting note: The press release and SHA's speech were issued to members vide LC Paper No. CB(1)1272/05-06 on 7 April 2006 and are numbered as WKCD-251 and WKCD-252 respectively.)

5. The Subcommittee deliberated (Index of proceedings attached at the **Annex**).

Arts and cultural policy

6. Dr KWOK Ka-ki and Mr LEUNG Kwok-hung requested the Administration to elaborate on the Hong Kong's arts and cultural policy and sought explanation on how the plan to develop WKCD would help realize the relevant policy objectives.

7. SHA highlighted the salient points on Hong Kong's cultural policy as set out in the Administration's paper (Paper No. WKCD-248). SHA further elaborated that arts and cultural policy covered a wide range of issues, which included the management of performing venues, resources allocation and arts education. The Administration's policy objective of developing the WKCD was to develop a world-class arts and cultural district comprising local, traditional as well as international elements, enrich arts and cultural life for the people in Hong Kong and neighbouring areas, create job opportunities, benefit the tourism industry, and make Hong Kong an international cultural metropolis. WKCD was a major initiative to implement the existing policy on arts and culture. SHA advised members that the Administration would brief the Panel on Home Affairs on Hong Kong's cultural policy at the Panel's meeting on Friday, 7 April 2006 and a detailed information paper on Hong Kong's cultural policy had been provided to the Panel (LC Paper No. CB(2)1609/05-06(01)).

Planning parameters for the WKCD

8. In response to Ms Margaret NG's enquiry on when and how the master layout plan for the WKCD and design of the core arts and cultural facilities

(CACF) would be drawn up, SHA re-affirmed that the priority task at the moment was to re-examine and re-confirm if appropriate the need for the CACF in the WKCD. It would be after the CC had completed its work and submitted recommendations to the Government that the Government would then consider the development (e.g. the master layout plan for the WKCD and design of the CACF) and funding approaches for the project.

9. Mr SIN Chung-kai enquired about the development mix of WKCD and the details of the past efforts that the Administration would make use of in formulating a new approach to take forward WKCD project. Mr James TO in particular asked which planning parameters and features in the IFP would be retained in the future WKCD development.

10. In response, the Secretary for Housing, Planning and Lands (SHPL) and the Permanent Secretary for Housing, Planning and Lands (Planning and Lands) (PS(PL)) advised that the cultural district should have a balanced mix of various arts, cultural, entertainment, commercial and residential facilities with tourism elements. The area of about 40 hectares on the West Kowloon Reclamation (WKR) currently zoned “Other Specified Uses” annotated “Arts, Cultural, Commercial and Entertainment Uses” would continue to be designated as the project area for WKCD. According to the results of the public consultation conducted under the IFP process, the majority of the public supported the idea of developing a cultural district at WKR and would like to see its early implementation. There was also broad support for establishing an independent body to take forward the WKCD project to enhance public participation and for effective monitoring. Matters relating to the development parameters (including development mix, limits on plot ratio, and the respective proportions of cultural and non-cultural components) would be considered only after the CACF were confirmed. When the development parameters were to be considered, the Administration would give particular regard to the planning parameters which had been agreed in principle by the Town Planning Board.

11. In response to Mr James TIEN's enquiries on the amount of land to be allocated for the construction of the CACF and the amount of land in WKCD that would be sold, SHPL and PS(PL) advised that under the modified approach of the IFP introduced in October last year, a minimum Gross Floor Area (GFA) but not the site area was specified for CACF. The latter would depend on the design of the CACF. Furthermore, the scope of the CACF previously specified in the IFP might be varied as a result of the work of the CC. The amount of GFA required for the CACF therefore could not be ascertained at this stage. Mr TIEN informed the meeting that according to the LegCo Brief on “Development of the West Kowloon Cultural District - Way Forward” issued by the Administration on 7 October 2005, the minimum GFA for CACF was then specified at 214 000 m² and this accounted for some 30% of the total GFA of the WKCD at a plot ratio of 1.81.

Operation of the Consultative Committee and the Advisory Groups

12. Ms Margaret NG sought details on the operation of the CC and the AGs. SHA advised that CS was the Chairman of CC and the CC was supported by the three AGs, namely Performing Arts and Tourism Advisory Group, Museums Advisory Group and Financial Matters Advisory Group (FMAG). As regards the details of the operation of CC, CC would discuss the matter at its first meeting on 21 April 2006. The AGs would conduct public consultation with the objective to re-examine and re-confirm if appropriate the needs of the CACF under their respective purview in WKCD, and each AG would consider the appropriate ways to gauge public views on matters within their purview. The AGs would submit their findings to CC, which in turn would report its recommendations to the Chief Executive.

13. Ms Emily LAU queried whether CC and AGs had a sufficiently wide representation. Noting that all members of the CC and AGs were appointed by the Chief Executive, Ms LAU expressed strong reservation on the representativeness of the members of CC and AGs and the lack of transparency in the appointment mechanism. She opined that there should be channels for nomination of representatives from relevant sectors. She requested the Administration to provide supplementary information in respect of each of the persons appointed as members of the CC and the three AGs, including current occupation and directorship of companies (if any), present appointments to advisory and statutory bodies and years of service in these bodies, and the reason(s) for considering the person suitable for appointment as a member of CC/AG. The Administration agreed to provide the information.

Admin

(Post-meeting note: The relevant information provided by the Administration, Paper No. WKCD-309, was issued to members vide LC Paper No. CB(1)1839/05-06 on 22 June 2006.)

14. SHA said that the CC and AGs comprised individuals who were professionals or practitioners with high standing in the arts, cultural, entertainment and tourism sectors and there should be no doubt that they had the necessary expertise in the relevant field. Their appointments were from 6 April to the end of 2006 only and the present appointment arrangement enabled the CC and AGs to commence their work within a short period of time.

15. Mr Albert CHAN opined that for the healthy development of arts and culture in Hong Kong, four principles, namely local characteristics, community-driven, unfettered creativity and diversity, must be ensured. He expressed concern that the future institutional setup and funding arrangements might not be able to safeguard the abovementioned principles. He also recalled that matters on arts and culture were discussed at open meetings of the two former Municipal Councils, which were composed of, inter alia, elected members. On the contrary, the CC and AGs would conduct meetings in camera. He considered that this was a big regression in the development of arts and culture in

Hong Kong. He asked how the Administration could ensure that the forward planning and implementation of the WKCD project would be in line with the views and aspirations of the public.

16. Mr LEUNG Kwok-hung opined that from past experience of public consultations, renowned persons might not be able to reflect the views of their respective sectors, especially those views that were not congruent with the Administration's position. He asked whether the CC and AGs would hold open forums to gauge public views on the WKCD.

17. SHA highlighted that the operation of the CC/AGs would be transparent. Relevant papers of the meetings would be put onto the webpage of the WKCD. Convenors of AGs would meet the media as and when appropriate to inform the public of the progress of the AGs' work. He re-affirmed that the AGs would solicit views from the relevant sectors and the general public in the course of their work.

Statutory body for the WKCD

18. Pointing out that this Subcommittee had recommended that a statutory body should be established as soon as possible to steer the way forward for WKCD, Mr Albert HO and Ms Margaret NG enquired when the statutory body would be formed, the mechanism for appointment of the members of the statutory body, and whether there was any relationship between the membership of the CC/AGs and that of the statutory body. Mr HO also asked how far decisions regarding the planning of the WKCD would be made by the Administration before the project was handed over to the statutory body. Ms NG enquired when the Administration would revert to the Legislative Council (LegCo) on the details of the establishment of the statutory body.

19. SHA and SHPL advised that when the CC had completed its work on the need for and scope of the CACF in the WKCD, the Government would have more information to consider when to establish an independent statutory body to take over the development of the WKCD from the Government. The establishment of the statutory body would be a subject of public consultation, including its roles and functions, and the suitable juncture at which the statutory body would take over Government's functions for the WKCD. At present, the Administration had no preconceived idea on when the statutory body should be formed, which would be affected by many factors including the time required for LegCo's scrutiny of the enabling legislation, and the suitable juncture for the statutory body to take over the WKCD project. As the Administration would have to introduce legislation into LegCo for the establishment of the statutory body, LegCo Members and the public would have ample opportunities to discuss details about the statutory body.

20. SHPL also indicated that there was no particular relationship between the CC/AGs and the future statutory body for the WKCD under the current thinking

of the Administration, nor had the Administration contemplated any through-train arrangement between the CC and the statutory body.

Development and funding approaches for the West Kowloon Cultural District

21. In response to members' enquiries about the Public-Private Partnership (PPP) mode being contemplated by the Administration, SHA recapitulated the reasons for the Administration's inclination to adopt PPP for developing the WKCD as detailed in paragraph 13 of the Administration's paper (WKCD-248). SHA also advised that while the Administration was inclined to adopt a PPP approach for developing the WKCD, it did not plan to invite private developers to develop the arts and cultural facilities in the WKCD. This function could be vested in the statutory body to be established for the WKCD in future. At this stage, the Administration had an open mind on the funding arrangement for the CACF and other communal facilities and services in the WKCD. PPP could take different forms, and the Administration had no preconceived idea as to which PPP mode(s) would be adopted for the various arts and cultural facilities in WKCD, and would look forward to hearing comments from the CC in this regard.

22. Mr James TIEN expressed concern that the future statutory body would be conferred with excessive power over the disposal/use of the 40 hectare of land at WKR, as in the case of the Airport Authority. Under such an arrangement, the statutory body would probably invite private developers to jointly develop the cultural and non-cultural portions of the WKCD, and in the end, the development of WKCD would be placed in the hands of a few big property developers. He stated that the Liberal Party did not support this kind of arrangement as the disposal of land resources by the statutory body would not be subject to adequate public scrutiny, in particular the scrutiny of LegCo.

23. Mr Albert HO said that this Subcommittee was strongly against bundling the non-cultural portion of land and the arts and cultural facilities in WKCD into a financing package, as this would result in the circumvention of LegCo's scrutiny power over public expenditure. He sought assurance from the Administration that this financing mode would not be adopted for developing WKCD. Mr SIN Chung-kai said that the Democratic Party would not support granting the 40 hectares in WKR to the statutory body for its disposal.

24. SHPL and PS(PL) responded that it had already been vindicated that the market did not find the package under the modified approach of the IFP attractive. The Administration was confident that through the work of the CC, the community would arrive at a general consensus on the CACF to be provided in the WKCD. Based on the recommendations of the CC, the Government would then consider the development and funding approaches for the project. By that time, the Government would also have more information to consider when to establish the independent statutory body to take over the development of the WKCD from the Government. The Administration was aware of the

Subcommittee's stand against the bundling of land and cultural facilities in WKCD and would take into account the Subcommittee's recommendations when formulating the way forward for WKCD. However, the Administration would not preclude any particular development mode for WKCD at this stage.

25. Ir Dr Raymond HO opined that there was a need to decide on the development mode for WKCD at an early stage, as the development mode would affect the overall planning for WKCD and determine which parties would participate in the project and their respective roles. He sought explanation on the work of FMAG in this regard. Ms Margaret NG enquired about the basis for FMAG to consider different funding approaches and whether WKCD would be developed in phases.

26. In response, SHA and PS(PL) explained that FMAG would examine the financial implications of CACF after the other two AGs had come up with their recommendations on the facilities under their respective purview. In this connection, FMAG would examine and analyze various options to fund the construction and operation of CACF. In the meantime, the FMAG would consider the preparation of a public sector comparator for the CACF. PS(PL) remarked that CC and AGs would make recommendations to the Government and the decisions on the CACF to be provided at WKCD and the funding approaches to be adopted would not be made immediately after the CC and AGs completed their work. The Government would consult the public before making the final decisions.

27. Mr James TO said that the financial assessments and analyses of WKCD submitted by the three Screened-in Proponents under the IFP process might serve as useful references in formulating the funding approaches for the development project, and suggested that the Administration obtain the consent of the Screened-in Proponents to making the information public. The Principal Assistant Secretary for Home Affairs said that the release of information provided by the three Screened-in Proponents involved legal and intellectual properties issues. The Chairman requested the Administration to follow up Mr TO's suggestion.

Admin

(Post-meeting note: The Administration's written response to Mr James TO's suggestion, Paper No. WKCD-280, was issued to Members vide LC Paper No. CB(1)1511/05-06 on 16 May 2006.)

IV The way forward

28. The Chairman invited members to give views on how the Subcommittee should continue its work. Ms Margaret NG suggested and members agreed that the Subcommittee should write to those groups and individuals who had given views on the WKCD to LegCo in the past to solicit their written views on how the WKCD project should be taken forward. She also suggested that before the

Administration came up with its proposal on the future statutory body for the WKCD, it might be desirable for the Subcommittee to consolidate its study in this regard by examining in detail issues such as the composition and operation, etc. of the statutory body. Ms NG also suggested that the Administration provided the draft Outline Zoning Plan covering WKR so that members could have an idea of the development parameters that had been laid down for WKCD.

(Post-meeting note: The Administration provided the draft Outline Zoning Plan covering the WKR to the Clerk to the Subcommittee on 13 April 2006.)

29. The Chairman said that some policy issues had been identified in the course of the Subcommittee's study and as suggested in the Subcommittee's reports, it would be appropriate for the relevant LegCo Panels to follow up the issues. In this regard, the Subcommittee had referred those issues relating to the management of land resources to the Panel on Planning, Lands and Works and those issues relating to the remuneration packages for senior executives of statutory bodies to the Panel on Public Services for follow-up actions. The Chairman further said that in the Subcommittee's Phase II Report, the Subcommittee had put forward a number of recommendations, including the adoption of an integrated and co-ordinated approach in the planning of WKR. He requested the LegCo Secretariat to explore how this recommendation could be properly followed up. The Assistant Secretary General 1 suggested and members agreed that in writing to interested groups and individuals to consult their views on how the WKCD project should be taken forward, the Secretariat would also draw their attention to the recommendations of the Subcommittee in the Phase II Report and seek their views on whether and how the recommendations should be implemented.

30. Members agreed that the papers and agenda for the meetings of the CC and AGs would be circulated to Subcommittee members, and the Subcommittee would at appropriate junctures hold meetings to discuss the way forward for WKCD and invite members of the CC and AGs to exchange views with the Subcommittee.

V Any other business

31. The meeting ended at 6:30 pm.

**Proceedings of the twenty-fifth meeting of the
Subcommittee on West Kowloon Cultural District Development
on Thursday, 6 April 2006, at 4:30 pm
in Conference Room A of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
000000 – 000038	Chairman	Confirmation of minutes of the meetings held on 14 and 25 November 2005 and 13 December 2005 (Paper Nos. WKCD-244, WKCD-246 and WKCD-249)	
000039 – 000355	Chairman	- Opening remarks - Information note on “Land disposal cases to illustrate the need for Legislative Council to have access to documentations relevant to issues under its examination” (Paper No. WKCD-245)	
000356 – 000725	Administration	Speech by the Secretary for Home Affairs	
000726 – 001511	Dr KWOK Ka-ki Administration	Arts and cultural policy for Hong Kong and how West Kowloon Cultural District (WKCD) project would help promote the policy objectives	
001512 – 002133	Ms Margaret NG Administration	- Operation of the Consultative Committee (CC) and the Advisory Groups (AGs), including arrangements for gauging public views - Formulation of master layout plan for WKCD	
002134 – 002735	Ms Emily LAU Administration	- Whether CC would discuss the arts and cultural policy in Hong Kong - Representativeness of members appointed to CC and the AGs	The Administration to provide information as per paragraph 13 of the minutes
002736 – 003436	Mr LEUNG Kwok-hung Administration	- Consultation to be conducted by CC and the AGs to garner public views - Arts and cultural policy in Hong Kong	

Time marker	Speaker	Subject(s)	Action required
003437 – 004156	Mr Albert HO Administration	<ul style="list-style-type: none"> - Timeframe to set up the statutory body for WKCD - The relationship between the Consultative Committee on WKCD and the future statutory body for WKCD - The extent to which the Government would decide on the planning of WKCD before the statutory body took over the project - Composition of the statutory body - The arrangement of bundling the non-cultural portion of land and the cultural facilities in WKCD into a financing package 	
004157 – 004818	Mr Albert CHAN Administration	<ul style="list-style-type: none"> - Concern about undue influence of the Government on the development of arts and culture through institutional setup and the control of resources - The view that meetings of CC and AGs held in camera represented a retrogressive step from the arrangement of the former Municipal Councils holding open meetings to discuss matters on arts and culture 	
004819 – 005710	Ir Dr Raymond HO Administration Chairman	<ul style="list-style-type: none"> - How WKCD would help to promote arts and cultural policy in Hong Kong - Whether any members in CC or AGs were familiar with the Public-Private-Partnership (PPP) development mode - Mode of PPP to be adopted for WKCD project - How the Financial Matters Advisory Group (FMAG) would conduct its studies - Enquiry from the Chairman on the work plan of FMAG 	
005711 – 010457	Ms Margaret NG Administration	Work plan of FMAG	

Time marker	Speaker	Subject(s)	Action required
010458 – 011425	Mr James TIEN Administration	<ul style="list-style-type: none"> - The role of developers in the WKCD development project - The respective proportions of land for cultural and non-cultural facilities 	
011426 – 012237	Mr James TO Administration	<ul style="list-style-type: none"> - Lessons learnt from the past consultation exercise - Request to make all papers of CC and the Advisory Groups available to the public - Which planning parameters under the Invitation for Proposals (IFP) would be retained - Request to release to the public the financial assessments and analyses of the WKCD project submitted by the three Screened-in Proponents under the IFP process 	The Administration to take follow-up action as per paragraph 27 of the minutes
012238 – 012937	Mr SIN Chung-kai Administration	Past efforts to be used in future development of WKCD	
012938 – 013826	Mr James TIEN Mr SIN Chung-kai Administration	<ul style="list-style-type: none"> - Whether land for WKCD would be granted to the statutory body - Liberal Party not supportive of granting the land for WKCD to the statutory body - Democratic Party not supportive of granting the land for WKCD to the statutory body - What PPP mode would be used for constructing/operating arts and cultural facilities and whether the residential and commercial developments would be involved 	
013827 – 014111	Ms Margaret NG Administration	<ul style="list-style-type: none"> - Relationship between CC and the future statutory body for WKCD - Timeframe to consult public and Legislative Council on the setting up of the statutory body 	
014112 – 014947	Chairman Ms Margaret NG Administration	<ul style="list-style-type: none"> - Consultation with groups and individuals on the way forward for WKCD - Request to provide the draft outline zoning plan covering the West Kowloon Reclamation Area - The Subcommittee would monitor 	The Administration to take follow up action as per paragraph 28 of the minutes

Time marker	Speaker	Subject(s)	Action required
		the work of CC and the AGs and hold meetings for the purpose - Follow-up on the recommendations of the Subcommittee's Phase II Report	

Council Business Division 1
Legislative Council Secretariat
28 September 2006