

立法會
Legislative Council

Paper No. WKCD-444
(These minutes have been seen
by the Administration)

Ref : CB1/HS/2/04

**Subcommittee on
West Kowloon Cultural District Development**

**Minutes of thirty-second meeting held on
Wednesday, 12 September 2007, at 1:00 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
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon CHAN Kam-lam, SBS, JP
Hon SIN Chung-kai, SBS, JP
Hon Jasper TSANG Yok-sing, GBS, JP
Hon CHOY So-yuk, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Albert CHAN Wai-yip
Hon Audrey EU Yuet-mee, SC, JP
Hon LEE Wing-tat
Hon LEUNG Kwok-hung
Dr Hon KWOK Ka-ki
- Member attending** : Hon Miriam LAU Kin-ye, GBS, JP
- Members absent** : Hon Albert HO Chun-yan
Dr Hon LUI Ming-wah, SBS, JP
Hon CHAN Yuen-han, SBS, JP
Hon LAU Wong-fat, GBM, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon CHEUNG Hok-ming, SBS, JP
Hon CHIM Pui-chung

Prof Hon Patrick LAU Sau-shing, SBS, JP
Hon Albert Jinghan CHENG, JP

**Public officers
attending**

: Mr Henry TANG Ying-yen, GBS, JP
Chief Secretary for Administration

Mr TSANG Tak-sing, JP
Secretary for Home Affairs

Mrs Carrie LAM, JP
Secretary for Development

Mr KWOK Kwok-chuen, BBS, JP
Government Economist

Ms Esther LEUNG, JP
Deputy Secretary for Home Affairs (3)

Mr Vincent FUNG
Principal Assistant Secretary for Home Affairs
(West Kowloon Cultural District) 1

Mr Danny LAU
Principal Assistant Secretary for Home Affairs
(West Kowloon Cultural District) 2

Mr CHUNG Ling-hoi, JP
Deputy Director of Leisure & Cultural Services
Department

**Attendance by
invitation**

: Mr Rafael HUI Si-yan, GBM, GBS, JP

Mrs Selina CHOW LIANG Shuk-yee, GBS, JP

Mr Victor LO Chung-wing, GBS, JP

Mr Ronald ARCULLI, GBS, JP

Clerk in attendance

: Ms Anita SIT
Chief Council Secretary (1)4

Staff in attendance : Mr Anthony CHU
Council Secretary (1)2

Ms Christina SHIU
Legislative Assistant (1)7

Action

I Confirmation of minutes

(Paper No. WKCD-396 -- Minutes of meeting on 18 June 2007)

The minutes of the meeting held on 18 June 2007 were confirmed.

II Recommendation report of the Consultative Committee on the Core Arts and Cultural Facilities of the West Kowloon Cultural District

2. The Subcommittee deliberated (Index of proceedings attached at the **Appendix**).

3. The Chairman remarked that the meeting was held for the Administration to brief the Subcommittee on the Recommendation Report of the Consultative Committee on the Core Arts and Cultural Facilities of the West Kowloon Cultural District (the Recommendation Report). The Administration had made available the Recommendation Report for Members' collection about one hour before the meeting. He welcomed the Chief Secretary for Administration (CS) and other representatives of the Administration attending the meeting.

(Post-meeting note: The Administration's paper (WKCD-398) with the Recommendation Report annexed was subsequently sent to Members vide CB(1)2352/06-07 on 13 September 2007.)

4. At the invitation of the Chairman, CS and the Secretary for Home Affairs (SHA) made a brief introduction on the Recommendation Report, the way forward for the West Kowloon Cultural District (WKCD) project, the Administration's cultural policy and the complementary measures to be taken by the Administration.

(Post-meeting note: The speaking notes of CS and SHA (WKCD-399 and WKCD-400) were tabled at the meeting and were subsequently sent to Members vide CB(1)2357/06-07 on 14 September 2007.)

5. Mr Rafael HUI, Chairman of the Consultative Committee on the Core Arts and Cultural Facilities of the West Kowloon Cultural District (CC) then gave a brief account of the work of CC and its three Advisory Groups, the public consultation work undertaken by the Advisory Groups and the major

considerations of CC in drawing up its recommendations. With the aid of a powerpoint presentation, the Deputy Secretary for Home Affairs (3) (DS(HA)3) briefed Members on the salient points in the Recommendation Report.

(Post-meeting note: The powerpoint presentation materials were sent to members by e-mail on 13 September 2007.)

General issues

6. Dr KWOK Ka-ki said that the proposed upfront endowment of \$19 billion was a huge sum and Members had the responsibility to ensure that public money was spent prudently. Noting the significant capital cost of the **Museum Plus (M+)** and its low cost recovery rate, he expressed concern that the proposed scale of M+ was too ambitious without taking into account the actual needs of the public. In particular, he questioned whether the proposed four themes of M+ could meet the needs and aspirations of the public. Given that the attendance rates of the public museums in Hong Kong had been on the low side and the Government's cultural policy could not complement the WKCD development, there might be over-provision of hardware in WKCD leading to wastage of public resources.

7. CS said that the Advisory Groups under CC had organized open public forums and focus group meetings to solicit views from the public and the relevant sectors. These views, which had been consolidated in the Recommendation Report, had been carefully considered by the Advisory Groups and CC in drawing up their recommendations. He believed that the substantial consultation work undertaken would be conducive to achieving consensus on the way forward for WKCD. The recommendations showed the vision and commitment of the Government to Hong Kong's cultural development.

Development mix

8. Miss CHOY So-yuk said that the Recommendation Report had responded to the aspirations of the community and some of the recommendations in the Subcommittee's reports. She expressed concern that allocating 36% of the total Gross Floor Area (GFA) in the WKCD site for core arts and cultural facilities (CACF) might not be sufficient to meet the needs of the arts and cultural sector. In this connection, she asked how far the percentage of GFA for retail, dining and entertainment (RDE) facilities (16%) and that for the residential, hotel and office developments (43%) could be adjusted. She also urged the Home Affairs Bureau (HAB) to conduct a comprehensive review on the overall provision of arts and cultural facilities in Hong Kong.

9. CS said that the development mix in the Recommendation Report was arrived at after detailed study and careful consideration to ensure that the operation of the arts and cultural facilities in WKCD could be financially sustainable on a long-term basis. He also stressed the importance to provide

RDE facilities in the cultural district to increase people flow.

10. Mr CHAN Kam-lam said that as the WKCD project would attract more tourists to visit the district and Hong Kong, he was concerned whether the hotel facilities to be provided at WKCD would be sufficient. He enquired about the number of hotel rooms that could be provided at WKCD.

11. DS(HA)3 said that under the proposed development mix, 43% of the total GFA in the WKCD site was allocated for hotel/office/residential developments and the land would be disposed of through the normal mechanism. Around 100 000 square metres (sq. m.) of GFA was allocated for office developments and 56 000 sq. m. was allocated for hotel developments. CC also suggested that to allow flexibility, 28 000 sq. m. of the GFA for office developments might be used for office or hotel developments depending on the prevailing market demand. Based on a GFA of 56 000 sq. m., two hotels with a total of around 1 000 rooms could be provided. Mr CHAN Kam-lam said that 1 000 hotel rooms would unlikely be sufficient to cater for the demand of the WKCD. In response, CS said that a few new hotels were being developed in West Kowloon outside the WKCD project area and these hotels could also cater for the demand generated from the WKCD.

Financing approach

12. Mr LEE Wing-tat said that the estimated land premium of the commercial and residential sites in WKCD at \$18.9 billion was conservative, and suggested that a certain proportion of the outturn land revenue in excess of the estimate be injected into a designated fund to meet the operating deficits of the arts and cultural facilities in WKCD which might not be fully covered by the rental income from RDE facilities at times of economic downturn.

13. CS said that the Financial Advisor had drawn up its financial estimations based on a 50-year project period taking into account various types of risks. While the projection on land revenue might appear to be conservative, it was after very detailed analysis that the Financial Advisor came up with the result that the operating deficits could be comfortably met by the rental income generated from RDE facilities. That said, the Administration held an open mind on this matter and welcomed public views on the financing approach recommended by CC.

14. In reply to Ir Dr Raymond HO, CS and the Secretary for Development (SDEV) said that under CC's recommended financing approach, the Government would build and maintain those transport and communal facilities which were designed to support the entire WKCD while the WKCD Authority would be responsible for the open space, automated people mover and car parks, the design and operation of which were closely related to the arts and cultural facilities in WKCD. The estimated capital cost of the transport and communal facilities to be developed by the Government was around \$2.4 billion.

Public open space

15. Mr LEE Wing-tat said that he had no strong views on the recommended development mix for the WKCD, but in view of the strong public call for more and quality public open space, he would accept relatively higher residential, hotel or commercial buildings near Jordan Road to release more ground space for use as public open space. SDEV said that the development parameters for WKCD in the Recommendation Report had addressed the public's concerns on public open space and screen-type buildings. It had been laid down in the draft South West Kowloon Outline Zoning Plan (OZP) that WKCD should have not less than 20 hectares of open space. CC's recommended provision of open space could well meet the requirement. Moreover, with the open space provision in WKCD, the whole South West Kowloon would have adequate open space to meet the prevailing planning standard.

Software development

16. Mr Albert CHAN expressed concern that the cultural software development could not match up with the considerable increase in hardware facilities upon implementation of the WKCD project. He also called for careful planning to ensure that the public money spent on cultural software development would be well spent on nurturing art talents and not be wasted by the management of the relevant organizations. Ms Audrey EU and the Chairman also sought elaboration from the Administration on its plans for cultural software development and how the Government's cultural policy would complement the WKCD project.

17. In response, SHA said that while the Administration attached great importance to both software and hardware cultural development in Hong Kong, it had been revealed by relevant statistics and people of the art and cultural sector that the bottleneck of local art and cultural development was mainly on the hardware side. The acute shortage of performing venues had made it difficult for some performing groups to stage their productions and this in turn had affected the training opportunities for art talents and budding artists.

Planning control

18. Mr James TO enquired about the role of the WKCD Authority in the town planning for WKCD and whether this role would be different under the four financing approaches considered in the Recommendation Report. He further asked whether the recommended development mix would be subject to the approval of the Town Planning Board (TPB).

19. SDEV explained that whichever financing approach to be adopted for the WKCD project, TPB's powers on planning control would not be affected. TPB would be involved in the planning of the WKCD project area through a two-stage process. After the present public engagement exercise, if there was a consensus on the planning parameters for the WKCD project area, the Administration would in early 2008 propose amendments to the draft South West Kowloon OZP by specifying the relevant planning parameters. TPB would consult the public on the revised draft OZP in accordance with the provisions in the Town Planning Ordinance (Cap. 131) and submit the revised draft OZP with any unwithdrawn objections to the Chief Executive-in-Council for approval or other decisions as appropriate. This first-stage planning process would take about nine months. If the draft OZP was approved, the WKCD Authority would be responsible for preparing a master layout plan based on the parameters laid down in the OZP for submission to TPB for approval. The public would also be consulted on the master layout plan in accordance with the relevant statutory provisions.

20. In reply to Ir Dr Raymond HO on whether the arts and cultural facilities in WKCD would be subject to the regulation of the Buildings Ordinance (Cap. 123) (BO), SDEV said that Government buildings were exempted from the regulation of BO, but whether the future arts and cultural facilities in WKCD would be regarded as Government buildings had yet to be ascertained. However, she assured members that the qualities of the arts and cultural facilities would meet the required standards in the BO.

WKCD Authority

21. Welcoming the recommendations in the Recommendation Report on the establishment of a WKCD Authority, Mr Albert CHAN expressed concern that the WKCD Authority would become a "super kingdom" engaging in activities for transfer of interests and without proper monitoring by LegCo and the public. He stressed the importance to ensure the accountability and transparency of the WKCD Authority, and one important requirement was that its meetings should normally be held in public.

22. CS said that the WKCD Authority would be a statutory body subject to appropriate monitoring and accountability measures, and its members would be appointed by the Chief Executive. Members would have ample opportunities to discuss its composition and whether the Authority's meetings should be held in public when LegCo scrutinize the relevant proposed legislation.

23. Noting the Administration's intention of establishing the WKCD Authority by the end of 2008 and hence the need to have the relevant legislation enacted before the end of the current term of LegCo, Ms Audrey EU expressed concern on whether Members would have sufficient time to scrutinize the relevant Bill. She enquired when the Administration would introduce the Bill into LegCo and whether the Administration would prepare concrete proposals on

the governance structure and composition of the WKCD Authority to solicit views from the public and relevant sectors during the present public engagement exercise. Noting from the Recommendation Report that one of the objectives of the WKCD Authority was "fostering and promoting partnerships between the business sector and the providers of the arts", she enquired about the Administration's thinking on how this objective was to be attained.

24. Ir Dr Raymond HO expressed appreciation of the CC's work in completing the Recommendation Report in a short time and support for the development parameters specified for the WKCD project. Given that the public had different views on the facilities to be provided in WKCD, it was important to strike a balance to meet the different needs of the public and the composition of the WKCD Authority would be an important issue. He shared the view that the Administration's timetable to set up the Authority in 2008 was very tight, and asked whether the Administration would consider setting up a provisional authority or steering committee to take up the planning work at an early stage.

25. CS said that there was already a consensus within the community that the WKCD project should be implemented as soon as possible. If there was a general consensus to accept CC's recommendations after the completion of the public engagement exercise, the Administration would introduce the Bill for establishment of the WKCD Authority into LegCo in early 2008. He hoped that LegCo would complete the scrutiny process and pass the Bill before the end of the current term. The Administration welcomed the public to give views on the composition and other aspects of the WKCD Authority during the public engagement exercise. In drawing up the Bill for the Authority, reference could be made to other similar statutory bodies, such as the Airport Authority which had ample experience in forming partnerships with non-government sectors for service delivery. SHA added that as WKCD was a major initiative to implement the Administration's cultural policy, HAB would provide advice during the legislative drafting process to ensure that the WKCD Authority could contribute to the long-term development of Hong Kong into an international arts, cultural and entertainment hub.

Other issues

26. Referring to the recommendations of the Subcommittee in its Phase II Study Report, the Chairman enquired how Recommendation Report had addressed the following recommendations –

- (a) adoption of an integrated and co-ordinated approach in the planning of the West Kowloon Reclamation; and
- (b) setting up consultation panels, such as the Financial Services Authority in the United Kingdom or Metropoli-30 of Bilbao, to conduct structured public consultation.

He also enquired how the public would be engaged in the present three-month public engagement exercise.

27. CS said that it was the Administration's vision to develop Hong Kong into an international metropolis with arts and cultural programmes that would attract visitors. The WKCD was planned and implemented to achieve this vision, with emphasis on the development of both cultural hardware and software. CC had devoted a chapter to the cultural software and complementary measures (Chapter 8) in its Recommendation Report. In the same chapter, CC had set out its views in detail on how the public should be engaged in taking forward the WKCD project. During public engagement exercise, the Administration would actively solicit public views on CC's recommendations through various forums and activities.

28. Dr KWOK Ka-ki expressed concern on the manner in which the public engagement exercise would be conducted. He doubted whether the Wish Card designed by the Administration could effectively solicit and reflect public views on the Recommendation Report as the Wish Card did not include questions on important elements of the WKCD project, such as the amount of open space and the scale and contents of M+.

29. Dr KWOK Ka-ki proposed and members agreed that another meeting be held to continue to discuss the Recommendation Report with the Administration.

30. The Subcommittee also agreed that meetings would be held for the Subcommittee to receive views from interested parties on the Recommendation Report.

III Any other business

31. The meeting ended at 2:38 pm.

**Proceedings of the thirty-second meeting of the
Subcommittee on West Kowloon Cultural District Development
on Wednesday, 12 September 2007, at 1:00 pm
in Conference Room A of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
000000 – 000214	Chairman	- Confirmation of minutes of the meeting held on 18 June 2007 (Paper No. WKCD-396)	
000215 – 000255	Chairman	- Opening remarks	
000256 – 004429	Administration Mr Rafael HUI	- Briefing by the Administration on the Recommendation Report of the Consultative Committee on the Core Arts and Cultural Facilities of the West Kowloon Cultural District	
004430 – 004541	Miss CHOY So-yuk Administration	- Whether the arts and cultural facilities recommended in the Recommendation Report could meet the needs of the local arts and cultural sector	
004542 – 005145	Mr LEE Wing-tat Administration	<ul style="list-style-type: none"> - Estimates for land revenue generated from sale of land in the West Kowloon Cultural District (WKCD) - Suggestion of using the land sale proceeds in excess of the estimate to set up a designated fund for WKCD - Suggestion of increasing open space in WKCD 	
005146 – 005703	Dr KWOK Ka-ki Administration	<ul style="list-style-type: none"> - Expression of concerns about justifications for the recommended scope of the Museum + - Whether the Wish Card could effectively solicit public views on the Recommendation Report 	

Time marker	Speaker	Subject(s)	Action required
005704 – 010230	Mr Albert CHAN Administration	<ul style="list-style-type: none"> - Composition of the WKCD Authority and suggestion that its meetings should be held in public - Software development to complement the WKCD project 	
010231 – 011059	Mr James TO Administration	<ul style="list-style-type: none"> - Role of the WKCD Authority in the town planning matters for the WKCD site 	
011100 – 011719	Ms Audrey EU Administration	<ul style="list-style-type: none"> - The Administration's timetable to submit the enabling legislation for the WKCD Authority into the Legislative Council and whether the public would be consulted on the matters relating to the Authority during the public engagement exercise - How the software development would complement the WKCD project 	
011720 – 012359	Ir Dr Raymond HO Administration	<ul style="list-style-type: none"> - Whether the Administration would consider advancing the preparatory work, such as the formation of a provisional authority, to expedite the WKCD project - Whether the transport and communal facilities were responsible by the WKCD Authority or the Administration - Whether the arts and cultural facilities were subject to the regulation of the Buildings Ordinance (Cap. 123) 	
012400 – 012916	Mr CHAN Kam-lam Administration	<ul style="list-style-type: none"> - Whether the hotel rooms to be provided in WKCD were adequate to meet the demand 	

Time marker	Speaker	Subject(s)	Action required
012917 – 013444	Chairman Administration	- Whether the Recommendation Report had responded to the Subcommittee's recommendations on integrated and co-ordinated planning, a structured consultation mechanism and the software development to complement the WKCD project	
013445 – 013620	Dr KWOK Ka-ki Chairman Administration	- Date of next meeting - Subcommittee meetings to receive views on the Recommendation Report	