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Panel on Planning, Lands and Works

West Kowloon Cultural District

Background brief

Purpose

This paper sets out the background to the development of the West Kowloon Cultural District (WKCD) and views expressed by members of the Council on the development.

WKCD site

2. The proposed WKCD is a waterfront site of 40 hectares at the southern tip of the West Kowloon Reclamation (WKR). The WKR is one of the ten Airport Core Programme projects primarily aimed to provide land for a transport corridor to accommodate the West Kowloon Highway, Airport Railway and connection for the Western Harbour Crossing. The southern portion of WKR was originally zoned for a regional park (13.79 hectares), commercial (5.02 hectares) and residential (0.77 hectares) development as well as other open spaces (7.94 hectares) and government, institution and community (1.45 hectares) uses.

3. To serve the developments in the southern part of WKR, the Administration submitted a funding proposal for the construction of a complementary road network and associated drainage and sewerage works at an estimated cost of \$914 million. The funding proposal was approved by the Finance Committee on 16 October 1998.

Development of a Performance Venue and Replanning of WKR

4. In October 1998, the Chief Executive (CE) announced in his Policy Address the planning of a new state-of-the-art Performance Venue on WKR as

a catalyst to upgrade Hong Kong's image as an Asian entertainment capital. In February 1999, the Hong Kong Tourist Association published the Final Report of the Study on the Feasibility of a New Performance Venue for Hong Kong. The Study concluded that Hong Kong needs a new international performance venue to meet growing demand for such a facility, to support the development of arts and culture in Hong Kong, to promote event tourism as well as to promote Hong Kong as the event capital of Asia. The Study also identified a site of 5.5 hectares on WKR for the purpose of building a performance venue and suggested that the entire southern section of WKR should be developed into a new arts, culture and tourist district which would create a critical mass of activities around the new performance venue.

5. In his 1999 Policy Address, the CE undertook to create a new look for the Victoria Harbour such that the future waterfront promenade would provide arts, cultural and entertainment opportunities that would enrich the quality of life and attract tourists with the unique local culture. For this purpose, the CE also announced its plan to hold an open competition to enlist the help of local and overseas professionals. On 16 November 1999, the CE in Council ordered that the use of the southern portion of WKR should be fundamentally reviewed to facilitate the development of a world-class integrated arts, cultural and entertainment district.

6. On 18 November 1999, the Administration briefed the Panel on Planning, Lands and Works (PLW Panel) of its decision to review the land uses of the southern portion of WKR for the development of a world-class integrated arts, cultural and entertainment district. To facilitate the development, the Administration also decided to delete part of a then existing works contract on WKR that would be affected by the replanning of the area. The contract in question comprised mainly roads, footbridges and drainage works, with a contract sum of \$299 million. According to the Administration, the value of completed works which might become abortive was estimated to be about \$24 million. While PLW Panel members generally supported the replanning of WKR, some members criticized that since the contract in question commenced only in December 1998, if the Administration had made better planning and co-ordination, the financial loss arising from the abortive works would have been avoided.

7. On 13 December 1999, the Administration briefed the Panel on Home Affairs (HA Panel) on the development of a performance venue on WKR. Members expressed concerns that Government's cultural policy might be dictated by the infrastructure development and that the development on WKR might become a property development under the guise of an integrated arts, cultural and entertainment district.

WKR Concept Competition

8. On 9 March 2000, the Administration briefed members of the PLW Panel on the details of the WKR Concept Competition. The Administration then stressed that there was no linkage between the Competition and the eventual development right of the area and that it would not be bound in any way to develop WKR in accordance with the winning design. In response to members, the Administration advised that there were divided views among the development industry and relevant professionals on whether the development right of WKR should be granted to one developer. Small developers objected to granting the development right of WKR to one developer and considered that the Administration should reserve the flexibility of disposing of the land of WKR in separate packages. Large developers, however, had not expressed strong view over the issue. The Administration then advised members that it had yet to decide how the development right of WKR would be disposed of.

9. In April 2001, the Administration launched the open Concept Competition to invite conceptual plans for the development of the southern tip of WKR into an integrated arts, cultural and entertainment district. The Concept Competition attracted a total of 161 entries from local and overseas participants. The result of the Competition was announced in February 2002. The first prize was awarded to the submission by a team led by Foster and Partners (Foster scheme).

10. In September 2002, the Administration set up a Steering Committee for Development of the West Kowloon Cultural District (Steering Committee), chaired by the Chief Secretary for Administration, to plan and guide the implementation of the West Kowloon Cultural District (WKCD) project.

11. In October 2002, the Administration announced the decision of the Steering Committee to adopt in principle the Foster scheme with some modifications as the conceptual basis for the masterplan for the WKCD.

12. In March 2003, the Administration announced its intention to invite development proposals for the WKCD from the private sector in mid-2003.

Invitation for Proposals

13. On 5 September 2003, the Administration launched the Invitation for Proposals (IFP) for the development of the WKCD. The IFP invites, among other things, submission of a preliminary masterplan based on the development brief and supporting technical, financial and operation proposals, including the amount of land premium offered, if any, and a comprehensive business plan setting out a strategy for establishing the WKCD as a world class arts, cultural and entertainment attraction. The IFP also requires proponents to demonstrate

that they have sound financial backing, the ability to finance their proposed level of investment and a sustainable financing plan.

14. Under the IFP, proponents are required:

- (a) to provide the following core arts and cultural facilities:
 - 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.
- (b) to provide the canopy proposed in the Foster scheme, covering at least 55% of the development area; and
- (c) to demolish and re-provision the Tsimshatsui Fire Station Complex.

It is stated in the IFP that the Government's baseline which is intended as a base reference for proponents in drawing up their proposals assumes a plot ratio of 1.81. Proponents may submit proposals deviating from the development parameters stipulated in the Government's baseline. The successful proponent will be required to plan, design, finance, construct, procure, fit out and complete the WKCD and subsequently operate, maintain and manage the core art and cultural facilities for a period of 30 years. A land grant of the site for a term of 50 years in favour of the successful proponent will be executed at such time as Government considers appropriate after the execution of the project agreement. It is expected that construction works will commence by April 2006 and the core arts and cultural facilities will operate in phases from 2010 onwards. The deadline for submission of proposals is noon, 19 March 2004.

Extension of deadline for submission of proposals for WKCD

15. After the Administration launched the IFP for the development of the WKCD on 5 September 2003, LegCo continued to follow up the issue in various forums. Questions were raised at the Council meetings on 12 and 19 November 2003. The PLW Panel and the HA Panel held two joint meetings on 18 and 25 November 2003 to receive views from 18 deputations coming from the arts, cultural, building, property and estate sectors. A summary of views expressed by these deputations is in **Appendix I**. A motion was also passed at the Council meeting on 26 November 2003 urging the Government to, inter alia, comprehensively review the project, thoroughly consult the relevant sectors and the public, and uphold the principles put forward by the Culture and Heritage Commission in formulating the development plan. The wording of the motion is in **Appendix II**.

16. In view of the call by many deputations and LegCo Members that more time should be provided to proponents for preparing proposals, the Chief Secretary, in his response at the motion debate on 26 November 2003, announced the extension of the deadline for submission of proposals for three months, i.e. from 19 March 2004 to 19 June 2004.

Result of Invitation for Proposals

17. The PLW Panel was briefed on the result of the IFP at its meeting on 14 July 2004. The Administration received five proposals in response to the IFP. The proponents who made submissions are: World City Culture Park Limited, Sunny Development Limited, Swire Properties Limited, Dynamic Star International Limited and LAM Sze-tat. The proposals would be assessed by a Proposals Evaluation Committee (PEC) chaired by the Permanent Secretary for Housing, Planning, and Lands (Planning and Lands) and assisted by a dedicated assessment team drawn from the relevant bureaux and departments of the Government. According to the Administration, only proposals that comply with the Mandatory Requirements will be assessed by the PEC

Financing of the project and land issues

18. One of the major controversies over the WKCD project is the financial arrangement. Unlike other public works projects listed under the Public Works Programme and funded by the Capital Works Reserve Fund, the WKCD will be run on a self-financing basis and will not involve public funding. The project covers 40 hectares of land. A land grant of the site for a term of 50 years in favour of the successful proponent will be executed at such time as the Government considers appropriate after the execution of the project agreement. Since no public funding is involved for the works within the WKCD area, there

is no need to seek funding approval from the Finance Committee of LegCo. Questions have therefore been raised on whether the Administration has circumvented the normal procedure of seeking approval for expenditure in public works, and whether the Administration has breached its usual accounting practice. In this respect, the PLW Panel requested the Legal Service Division of the LegCo Secretariat to provide its legal opinion on the questions at the meeting of the PLW Panel on 27 April 2004. According to the Legal Adviser, in view of the Administration's decision of not treating the development of the WKCD as a project within the public works programme and the Administration's advice that the project does not involve the charging of expenditure on the general revenue, there is no legal requirement that the Administration must follow the procedure for seeking approval for creating a charge on the general revenue for funding the project. However, in the light of Article 64 of the Basic Law, which provides that the Government shall be accountable to LegCo, the Government has the duty to satisfy LegCo that the current mode of development was not preferred to circumvent the approved procedure and to provide details on the technical issues relating to the Administration's accounting practice to the satisfaction of LegCo Members. The decision on whether to use public funds to finance the project is an executive decision. It would be legitimate for the LegCo to ask the Government to satisfactorily account for the decision that the proposed mode of financing is a sound policy decision.

19. Some members are gravely concerned about the proposed single package approach in the delivery of the WKCD project. Given the scale of the project, some members are of the view that the single package approach may result in restricting the choice of bidders, in particular the participation of small and medium-sized developers. Undesirable tender prices may be resulted and the Government may place itself in an unfavourable position in negotiating the details of the project. Some members consider that the project should be divided into separate tenders and part of the land could be put up for sale and the sale proceeds could then be used for developing cultural facilities.

20. According to the Administration, the conventional way of dividing the project into smaller packages and inviting tenders would require the Government to draw up its own master layout plan based on uncertain assumptions of what would be commercially viable in an integrated development. Conducting multiple tender exercises would present the Government with the extremely difficult task of drawing up multiple sets of complex interlocking land leases. The Administration considers that tendering out smaller packages with a view to using the land sale proceeds for developing the cultural facilities impractical and this would involve hypothecating the general revenue.

21. The majority of members of the PLW Panel are not satisfied with the proposed land and financial arrangements for the WKCD project. The Panel

passed a motion in this regard at the meeting on 27 April 2004. The wording of the motion is in **Appendix III**.

Planning control

22. Since the entire site of WKCD was zoned "Other Specified Uses" annotated "Arts, Cultural, Commercial and Entertainment", some members have raised concern about the lack of planning control over the future development of the site. Apart from reiterating the intention to subject the WKCD to the statutory town planning control, the Administration undertakes that after a Provisional Agreement is signed with the successful proponent, it will submit the development parameters of the selected scheme, including the maximum gross floor area and plot ratio for domestic and non-domestic development, maximum building heights and open space requirements to the Town Planning Board for inclusion in the South West Kowloon Outline Zoning Plan (OZP). The amended OZP will be subject to the normal statutory process in accordance with the Town Planning Ordinance (TPO) (Cap. 131). Any future change to the approved OZP will have to follow the statutory requirements under the TPO.

Canopy

23. According to the IFP, the proponents were required to include, in the formulation of the preliminary masterplan, a canopy as the signature design feature covering at least 55% of the development area to create a singular waterfront landmark. Members are concerned about the technical viability of the canopy and its cost-effectiveness given its high construction and maintenance cost. An oral question in this respect was raised at the Council meeting on 19 May 2004.

24. The Administration is of the view that there are no particular design problems with the canopy. Proponents are required to carry out technical studies to address special design consideration and maintenance plan for the canopy detailing the arrangements for the cleaning, maintenance and repair. The Administration has to see the proponents' proposals before knowing how much the canopy will cost and assess it in the overall financial scheme. At the present stage, the Administration does not believe that the technical or financial aspects of the canopy requirement will affect the viability of the project.

Public involvement

25. Another major concern of members is lack of transparency and public involvement in the selection of the proposals. Members note that the

assessment panel will comprise senior civil servants only. The Administration is of the view that to avoid possible conflict of interest, which may invite legal challenges from unsuccessful proponents, participation of any individuals other than selected senior civil servants in the assessment panel will be undesirable. However, to enhance public involvement, the Administration undertakes that all proposals which have satisfied the mandatory requirements will be put up for exhibition. Exhibits prepared by the proponents 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. Public forums will also be held during the exhibition period to solicit view from the public on the proposals.

Other concerns

26. Other concerns expressed by members concerning the WKCD project include the following aspects:

- (a) formulation of a comprehensive arts and cultural policy to complement the WKCD hardware facilities. The Administration should review the relationship between the WKCD and the overall cultural policy of Hong Kong. Reference should be made to the recommendations of the Policy Report by the Culture and Heritage Commission;
- (b) participation of the arts and cultural sector in the project. A tripartite relationship including the arts and cultural sector, the Government and the successful proponent for the WKCD should be established for working out the operation and management mode of the WKCD; and
- (c) the need to set up an independent authority to take charge of the WKCD project.

Latest development

27. At the Council meeting on 10 November 2004, the Chief Secretary for Administration made a statement on WKCD and announced the results of stage one of the assessment process and the next steps. According to the screening result, the proposals from Swire Properties Limited and Mr LAM Sze-tat do not meet the basic requirements specified by the IFP. These proposals will not be considered further. The other three proposals that meet the basic requirements will be further assessed in accordance with the criteria. Public consultation on these three proposals is scheduled to commence in mid December 2004.

28. A chronology of events relating to the WKCD is in **Appendix IV**. A list of relevant papers with their hyperlinks at the LegCo Website is in **Appendix V**.

Council Business Division 1
Legislative Council Secretariat
29 November 2004

**Joint Meeting of
Panel on Planning, Lands and Works and
Panel on Home Affairs**

**West Kowloon Cultural District (WKCD)
Summary of concerns/views raised by various organizations
(as at 25 November 2003)**

Subject	Organization	Concerns/Views
(I) Canopy	The Association of Architectural Practices Ltd.	The preliminary design of the canopy cannot comply with the requirements under the Buildings Ordinance and the Fire Services Ordinance, etc. Yet the Government fails to respond positively to that problem and simply treats it as a part of the future design, hence feasibility of the design remains doubtful.
	The Hong Kong Institution of Engineers	No compelling need to build the 120 m high glass canopy. There are long term maintenance and replacement considerations similar to the problem of aging high rise buildings in Hong Kong. The capital cost of the canopy is high and so is the recurrent maintenance cost.
	Zuni Icosahedron Ltd.	Objects to Norman Forster's design. The nature of the relevant plan is an architectural design rather than development plan.
	Museum of Site	<ul style="list-style-type: none"> • Might contravene the Buildings Ordinance as well as other legislation. • High costs of construction and maintenance.

Subject	Organization	Concerns/Views
(I) Canopy <i>(cont.)</i>	Museum of Site (cont.)	<ul style="list-style-type: none"> • The design of Foster & Partners imposes limits on various scopes, including the construction and environmental planning, the interests of small developers, the planning strategies of diversified enterprise within the business sector and the foreseeable interests and long-term strategies of the cultural sector in the next 30 years. It also affects the objective assessments made prudently by bureau secretaries. The over-emphasis on Foster & Partners' design is tantamount to putting the cart before the horse! • However, it will also give rise to problems if the Government hastily abandon Foster & Partners' design. It should invite representatives from Foster & Partners to explain the case.
	Urban Watch	<ul style="list-style-type: none"> • The first prize winning design of the canopy has won both praise and criticism. Its functions, characters, energy-saving ability and whether or not it can serve as a symbol for Hong Kong have to be further explored. • Hence, the decision on the canopy should be made after open discussion, instead of made by a few key officials.
(II) Single Arrangement Package	Government Cultural Services Grades' Alliance	<ul style="list-style-type: none"> • No objection in principle to awarding the project by way of a single package arrangement. • A coordinated development plan, a well-adjusted completion schedule for different facilities, as well as an agent to manage the development of various facilities in a holistic way should be put in place.
	Hong Kong Institute of Real Estate Administration	It would be unfair, unjust and unacceptable to the community at large should the development right of the West Kowloon reclamation area be granted to one developer.
	The Hong Kong Institution of Engineers	No sufficient justifications for awarding the development right to a single developer.

Subject	Organization	Concerns/Views
(II) Single Arrangement <i>(cont.)</i>	Package The Association of Architectural Practices Ltd.	<ul style="list-style-type: none">• The design of a “continuous and connecting” canopy does not equal to an “indivisible” one, it is not a necessity for the canopy to be constructed by a single consortium.• The West Kowloon project has right from the onset emphasized on the appearance and consistency in design but overlooked the detailed features. Specific arrangements will be discussed only after the developer has been selected. The Government will then negotiate with the single selected developer on behalf of the public. The whole process is done the wrong way round.• The threshold is too high and unfair to the small and medium sized developers. This will indirectly create the chance for monopoly.• As there are not many negotiation targets around, the result of the negotiation is very likely be “biased towards one side” and the ultimate interests of the community cannot be sufficiently protected.• The complexity involved in the single package arrangement might result in the adoption of foreign design and consultancy at the expense of the job opportunities of the local professional service sectors.

Subject	Organization	Concerns/Views
(II) Single Package Arrangement <i>(cont.)</i>	Hong Kong Institute of Architects	Technically it is entirely feasible and appropriate to implement Forster's Sky-canopy and conceptual design phase by phase. The relevant Development Board should handle technical coordination with reference to a set of established Control Drawings.
	The Hong Kong Institute of Surveyors	<ul style="list-style-type: none"> • The single package arrangement might give rise to a number of problems, such as favouritism to a large developer, the need for proper risks sharing, the need to cope with the changes that are bound to arise over the project life span, and the likelihood of Government being constrained by post-contract changes. • From both contractual and technical points of view, the Development can be, and should be, broken down into a series of packages without necessarily compromising its integrated design and operation.
	Hong Kong Institute of Planners	<ul style="list-style-type: none"> • The Government should explain how they could minimize and address envisaged problems of a single package approach. • The Government should also explain what other implementation approaches have been examined and why they were considered not feasible.
	The Real Estate Developers Association of Hong Kong	<ul style="list-style-type: none"> • The WKCD is a real estate development project. • The single package approach is disruptive to the operation principle of free market and participation will be limited to a few capable proponents.

Subject	Organization	Concerns/Views
(II) Single Package Arrangement <i>(cont.)</i>	Project Hong Kong	Regarding the controversial issue of “whether the operation, maintenance and management should be awarded to a single developer”, the Government of the Hong Kong Special Administration Region should not merely consider “which approach is the most convenient way to operate, maintain and manage” but also the issue of “which approach is the best for facilitating and improving the cultural development in Hong Kong”.
	Urban Watch	Will such a large-scale development led by a single developer with full control of its design lead to a monopoly on the products concerned? How can the quality and completion time of the cultural items be ensured if such items just serve as frills and bear a monotonous appearance?
(III) Invitation for Proposals (IPF)	Zuni Icosahedron Ltd.	The ambiguity in the contents of IFP is disadvantageous to the proponents
	The Association of Architectural Practices Ltd.	Many details in the IFP are yet to be discussed with the successful proponent. Other information such as the development schedule, design details, technical feasibility studies, operation and management details, and so on, remains unknown and thus poses enormous risks to both the Government and the developer.
	Hong Kong Institute of Architects	The plot ratio and time frame for each phase of the project should be capped appropriately. The public should be consulted on all layout plans, design details and their effects on urban design and view aspects. They should afterwards be reviewed and approved by the Town Planning Board (TPB). All financial and operational arrangements should be reviewed and approved by the Legislative Council.

Subject	Organization	Concerns/Views
(III) Invitation for Proposals <i>(cont.)</i>	The Hong Kong Institution of Engineers	<ul style="list-style-type: none"> • The emphasis of the IFP is not arts and culture property development proposal with 500 000 sq.m. of commercial residential floor area but with no upper limit. The development intensity is likely to be higher and planning merits overlooked. Such situation seems unsatisfactory. • The proposal specifies some 200 000 sq.m. of arts and cultural facilities. The successful bidder is a developer and is likely to put its emphasis into the hardware of performing arts. The IFP only specifies sketchy requirements of a culture management plan. An arts and cultural district requires much more than grandeur buildings to be successful in promoting local cultural developments.
	The Hong Kong Institute of Surveyors	<ul style="list-style-type: none"> • Although the Government appears to benefit from transferring risks to the project proponent, it does not change the simple fact that taxpayers will eventually pick up the bill. The procurement strategies must therefore be devised with caution. • The proposed procedural land grant is undesirable. Too much risk seems to be placed on the proponent who will commit a huge investment based on very loose terms. In the case of a dispute, the Government will not be in a strong bargaining position. • For allocation of undivided shares for the core cultural and arts facilities, the ownership right is unsatisfactory. Allocation of maintenance responsibility will be complex because of the different standards and services involved.

Subject	Organization	Concerns/Views
(III) Invitation for Proposals <i>(cont.)</i>	Museum of Site	<ul style="list-style-type: none"> • The IFP guidelines are completed in an acute lack of research data. • The IFP guidelines have also failed to provide the necessary information or lead the developer to study soft information in great depth for strategic assessment purposes. • The ratio of commercial development to cultural facilities should be 7:3, and no relaxation should be allowed.
	Project Hong Kong	The Government should review afresh the project contents and requirements set out in the IFP, especially the requirements and requests of the innovative cultural sector, so as to ensure that the items of the project will facilitate local cultural development and provide supporting facilities for sustainable development such as human resources training, education, trial, study and development, etc.
(IV) Assessment Criteria and Selection Process	Project Hong Kong	Enhance the transparency of the tender process and publicize relevant assessment criteria, especially the need to put in place a system to ensure that the innovative cultural sector is provided with the right to participate and the right to speak.
	The Hong Kong Institute of Surveyors	The proponents' submissions must be structured to permit evaluation against clear and distinct criteria.
	Hong Kong Institute of Planners	The credibility of the selection panel and openness of the selection process are critical to establishing the legitimacy of the selected scheme. At some point before the selection of the winning bids, the views of the public and the TPB should be gauged on the submitted proposals.
	The Real Estate Developers Association of Hong Kong	Selection process and standards are both unclear.

Subject	Organization	Concerns/Views
(V) Deadline for Submission of Proposals	Zuni Icosahedron Ltd.	The six-month period is insufficient.
	Project Hong Kong	If the subject requires more time to nurture a consensus in the community, the Government should consider deferring the tender closing date.
(VI) Relationship between the WKCD Development and the Arts and Cultural Policy	Hong Kong Institute of Planners Museum of Site	To work out a comprehensive cultural policy that is accepted to all.
	Government Cultural Services Grades' Alliance	The operator can fit into the Government's policy on long term cultural development.
	Hong Kong Institute of Archaeology	The Government should explain: <ul style="list-style-type: none"> • what is Hong Kong's cultural policy? • what is Hong Kong's long term position on culture? • what is the current situation of the arts and culture in Hong Kong? • what is the public's demand for culture and arts? • what is the concept of the West Kowloon project?

Subject	Organization	Concerns/Views
<p>(VI) Relationship between the WKCD Development and the Arts and Cultural Policy <i>(cont.)</i></p>	<p>Project Hong Kong</p>	<ul style="list-style-type: none"> • The Administration should seriously review the relationship between the WKCD and the overall cultural policy of Hong Kong, sufficiently display its commitment towards the West Kowloon project and that it will not easily give up or shift its responsibility to the operators. • Consideration should be given to the three points raised in the Policy Report by the Culture and Heritage Commission (The Commission), namely the “Integration of facilities within the district”, “Complementarity with other cultural facilities” and “Respecting cultural software”, and attention should be paid to cross-district as well as cross-sector coordination. • The planning and development of West Kowloon should be considered from the perspective of “cultural logic”.
	<p>Hong Kong Christian Service</p>	<ul style="list-style-type: none"> • Should refer to the Commission’s recommendations and work out a comprehensive cultural policy that is accepted by all. Such a policy should then be complemented rather than led by hardware. • The Government should expeditiously work out a comprehensive cultural policy that is accepted to all. • The WKCD should be operating under the “non-profit making” principle, instead of running entirely on a commercial basis. • The WKCD should be operated jointly by the Government, the business sector and the community. • Nurturing should start from early childhood. • The “sustainable” perspectives should be adopted.

Subject	Organization	Concerns/Views
(VI) Relationship between the WKCD Development and the Arts and Cultural Policy <i>(cont.)</i>	Zuni Icosahedron Ltd.	<ul style="list-style-type: none"> • To work out a comprehensive cultural policy that is acceptable to all. • What is needed most is human resources development, hence education should be the theme of the West Kowloon Project.
	Hong Kong Arts Centre	The Government should explain the relationship between the WKCD and the existing arts and cultural framework, including the future development and roles of both the Leisure and Cultural Services Department and the Arts Development Council.
(VII) Public Consultation	Hong Kong Christian Service	Members of the public should be allowed to participate in the discussions relating to the WKCD.
	Zuni Icosahedron Ltd.	The public consultation exercises should be conducted in the form of in-depth group discussions.
	Project Hong Kong	The operation system should offer full protection for the participation right of creative industries, with a view to forming a tripartite partnership comprising the creative industries, the SAR Government and developers.
	Hong Kong Institute of Real Estate Administration	The Administration should invite the public and representatives from professional bodies to join the various advisory committees.
	The Association of Architectural Practices Ltd	The community should be extensively consulted on the parts relating to the arts to solicit opinions from different sectors. Professional and relevant organizations should be allowed to participate in the discussion and evaluation process, as well as formulating the finalized development details before working on the outlook details.
	Hong Kong Institute of Architects	Relevant public exhibitions and discussions should be conducted before finalizing any major development plans.

Subject	Organization	Concerns/Views
<p>(VII) Public Consultation <i>(cont.)</i></p>	<p>Hong Kong Institute of Planners</p>	<p>The Government has failed to consult the public or the relevant professional bodies when drafting the present IFP.</p> <p>The Government should maintain dialogue with the public, professional institutes and the arts/cultural community on the project and the Government should make decisions based on a more inclusive and transparent process.</p> <p>At this stage, the Government needs to clarify to the public on such issues as the rationale behind changes made to the original winning scheme, the selection criteria, and the proposed implementation/development method.</p>
	<p>The Real Estate Developers Association of Hong Kong</p>	<p>The public should be consulted extensively.</p>
	<p>Museum of Site</p>	<ul style="list-style-type: none"> • Neither the Leisure and Cultural Services Department nor the Hong Kong Arts Development Council (HKADC) had conducted any consultation exercises in relation to individual items (such as the types of museums Hong Kong needs) before the Government published the IFP. While the approval criteria and the construction details of the relevant museums are listed in detail in the IFP, the HKADC has never systematically consulted our some 100 arts consultants on the “West Kowloon” project, nor has the Home Affairs Bureau consulted thoroughly the Sham Shui Po and Yau Tsim Mong District Councils on the “West Kowloon” project. • In brief, no formal extensive consultation with the cultural sector has been conducted on the directions and abstract figures regarding the cultural facilities proposed in the IFP.

Subject	Organization	Concerns/Views
(VIII) Development control and future management of the West Kowloon Cultural District	Hong Kong Arts Centre	To establish a WKCD Steering Committee with participation of representatives from the arts sector, with a view to overseeing the operation of the WKCD in the long run.
	Hong Kong Christian Service	To establish a “WKCD Development Board” comprising representatives from the Government, business circle, the cultural and arts sectors, as well as members of the public. The Board will take care of the arts and cultural development in future.
	Hong Kong Institute of Architects	To establish a “WKCD Development Board”, the members of which will include representatives from the cultural and arts sectors, Legislative Council, professional groups, regional districts, real estate industry and the Government.; as well as to coordinate the development by phases according to an Overall Master Layout Plan and conduct consultation exercises.
	The Hong Kong Institution of Engineers	An IFP issued in respect of the property development and a separate IFP issued in respect of the cultural district funded by the Government (with proceeds from the 700 000sq. m. gross floor area land sale) will relieve the artists from any financial and management entanglement with the developer concerned.

Subject	Organization	Concerns/Views
<p>(VIII) Development control and future management of the West Kowloon Cultural District <i>(cont.)</i></p>	<p>Hong Kong Institute of Planners</p>	<ul style="list-style-type: none"> • The Government needs to explain how it intends to maintain planning and development control throughout the whole development time frame of the project which has a leasehold term of 50 years. • Once the Government has selected a winning scheme, the key development parameters and/or the master development plan should be incorporated into the Outline Zoning Plan. Future changes to the scheme could then be monitored and controlled through the established statutory planning procedures to allow public scrutiny. • A management board should be set up to oversee the Cultural District from its design/development and operation throughout the entire leasehold period. The board should comprise members who are representative of a wide range of interests, from the development sector, the arts community to individuals from both the public and private sectors.
	<p>Museum of Site</p>	<ul style="list-style-type: none"> • The future Arts Development Council or Culture and Art Foundation should set up an “Advisory Committee on the Cultural District” to act and operate as a bridge among different sectors. • Cultural facilities should be operated under a “Managing Board System”, which enlists the participation of representatives from the cultural sector, and in the form of some relevant funds. • To establish a comprehensive supplementary system of public and private funds to monitor the operation of the cultural facilities in the cultural district in the long run.

Subject	Organization	Concerns/Views
(IX) Financial and operational arrangements	Government Cultural Services Grades' Alliance	Huge amount of funding injection or participation of international organizations alone is not sufficient to ensure good management and operation of the cultural district.
	Hong Kong Arts Centre	Different facilities should be operated by different arts bodies as far as possible.
	The Association of Architectural Practices Ltd	May make use of the sale proceeds from the property development part of the project to cover the costs of cultural and arts development.
	The Hong Kong Institute of Surveyors	<ul style="list-style-type: none"> • By asking the proponent to deliver these core facilities upfront, the Government will have a better control over the quality of the whole Development, but the problem is that the initial capital outlay will be substantially increased as a result. • Suggests the Government adopt a more flexible approach of allowing “progressive financing” of those less profitable facilities by the more profitable facilities, thereby minimizing the risk exposure of the project proponent.
	Hong Kong Institute of Architects	Financial and operational arrangements must be approved by the Legislative Council.
	The Real Estate Developers Association of Hong Kong	<ul style="list-style-type: none"> • Instead of seeking to subsidize the project with proceeds from land sales, the relevant funding proposals should be submitted to the Legislative Council for approval in accordance with the normal practice. • The core infrastructure should be provided by the Government through a genuine public-private partnership. The rest of the district can be put up for sale in the market by way of auction or through the tendering system.

Subject	Organization	Concerns/Views
(X) Facilities	Government Cultural Services Grades' Alliance	Agrees that more sophisticated venues for cultural and arts events as well as museums of differing themes should be provided in Hong Kong.
	Hong Kong Curators Association	<ul style="list-style-type: none"> • Museums should be of differing themes and overlap of themes should be avoided. • Careful consideration should be given as to whether the sources and items of collection can really support the establishment of a new museum. • Museums should not be operated on commercial principles. Instead, the developer should provide a certain percentage of the proceeds from other development items in West Kowloon for the Government to allocate for the operating costs of the cluster of museums.
	Zuni Icosahedron Ltd	The site cannot cope with the trend of sociocultural development.
	Museum of Site	What are the study basis and justifications for the proposal of four museums and three performance venues?
	Government Cultural Services Grades' Alliance	Will there be enough experts in recreational and cultural venue management to take care of so many new facilities?
	Hong Kong Curators Association	Should start training sufficient professional museum staff to take up the relevant responsibilities.
	Hong Kong Arts Centre Hong Kong Arts Development Council	An Academy of Visual Arts should be established.

Subject	Organization	Concerns/Views
(X) Facilities <i>(cont.)</i>	Hong Kong Arts Development Council	<ul style="list-style-type: none"> • In addition, suggest provision of: <ul style="list-style-type: none"> ➤ concert hall for staging world-class orchestral performances ➤ small scale venue for chamber music performances ➤ book city • Should redevelop the famous historical buildings in Hong Kong.
(XI) Others	Hong Kong Christian Service	Should enable the peripheral regions of WKCD to transform and develop in a direction more related to culture and arts.
	Hong Kong Institute of Planners	The Institute notes that the automatic people mover system is not a mandatory requirement. However, easy access to the site will help to ensure the success of the scheme. Moreover, the Government should take this opportunity to link up the site with other cultural and entertainment nodes in Tsim Sha Tsui.
	Zuni Icosahedron Ltd	International networks, as well as Chinese perspectives and networks should be established.

Subject	Organization	Concerns/Views
(XI) Others <i>(cont.)</i>	The Hong Kong Construction Association Ltd	<ul style="list-style-type: none">• Priority employment opportunity should be given to the local construction industry.• Should give due regard to the recommendations of the Construct for Excellence Report of the Construction Industry Review Committee.• Other recommendations:<ul style="list-style-type: none">➤ The principal contractors of this project should be registered contractors in Hong Kong➤ The subcontractors of the project should register with the Voluntary Subcontractor Registration Scheme➤ The workers in this project should possess the trade testing certificate or other relevant certificates issued by the Construction Industry Training Authority➤ The developer(s) should include a “pay-for-safety” scheme in the construction contracts, which should demand the principal contractors and their subcontractors to implement a safety management system

Submissions from various organizations

Organizations	File Number
Government Cultural Services Grades' Alliance (GCSGA)	LC Paper No. CB(1) 329/03-04(01)
Hong Kong Arts Centre (HKAC)	LC Paper No. CB(1) 345/03-04(01)
Hong Kong Arts Development Council (HKADC)	LC Paper No. CB(1) 378/03-04
Hong Kong Christian Service (HKCS)	LC Paper No. CB(1) 345/03-04(02)
Hong Kong Curators Association (HKCA)	LC Paper No. CB(1) 329/03-04(02)
Hong Kong Institute of Archaeology	LC Paper No. CB(1) 345/03-04(03)
Zuni Icosahedron Ltd	LC Paper No. CB(1) 359/03-04(04)
Project Hong Kong	LC Paper No. CB(1) 359/03-04(01)
Hong Kong Institute of Real Estate Administration (HKIREA)	LC Paper No. CB(1) 322/03-04(01)
The Association of Architectural Practices Ltd (AAP)	LC Paper No. CB(1) 322/03-04(02)
Hong Kong Institute of Architects (HKIA)	LC Paper No. CB(1) 322/03-04(03)
The Hong Kong Institution of Engineers (HKIE)	LC Paper No. CB(1) 329/03-04(03)
Hong Kong Institute of Planners (HKIP)	LC Paper No. CB(1) 322/03-04(04)
The Hong Kong Institute of Surveyors (HKIS)	LC Paper No. CB(1) 345/03-04(04)
The Real Estate Developers Association of Hong Kong (REDAHK)	LC Paper No. CB(1) 359/03-04(05)
The Hong Kong Construction Association Ltd (HKCA Ltd)	LC Paper No. CB(1) 322/03-04(05)
Museum of Site	LC Paper No. CB(1) 359/03-04(03)
Urban Watch	LC Paper No. CB(1) 410/03-04(01)

Appendix II

Motion on "West Kowloon Cultural District development project" passed at the Legislative Council meeting on 26 November 2003

(Translation)

“That this Council urges the Government to comprehensively review the West Kowloon Cultural District development project, consider the ‘software’ contents before planning the cultural facilities, extend the deadline for submission of development proposals, openly and thoroughly consult the cultural sector, professional bodies, the real estate sector, the Legislative Council, the public and relevant organizations, and uphold the ‘people-oriented’, ‘partnership’ and ‘community-driven’ principles put forward by the Culture and Heritage Commission for the West Kowloon development in formulating a development and operation plan that is open, fair and proper; and in the process of development, the Government should also facilitate a partnership between developers and the cultural sector, so as to allow the latter to participate in the planning and future operation of the facilities in the district.”

Council Business Division 1
Legislative Council Secretariat
29 November 2004

Appendix III

**Motion on "West Kowloon Cultural District"
passed at the meeting of the Panel on Planning, Lands and Works
held on 27 April 2004**

(Translation)

“That this Panel opposes the land and financial arrangements proposed by the Administration for the West Kowloon Cultural District .”

Council Business Division 1
Legislative Council Secretariat
29 November 2004

Appendix IV

Chronology of events relating to West Kowloon Cultural Development

- October 1998 The Chief Executive (CE) announced in his policy address that the Administration was planning for a new, state-of-the-art performance venue on the West Kowloon Reclamation (WKR)
- 23 September 1998 The Public Works Subcommittee (PWSC) recommended the upgrading to Category A of part of 332CL, entitled "West Kowloon Reclamation - southern area, phase 4 and remaining roadworks stage 2" at an estimated cost of \$914 million in money-of-day prices
- 16 October 1998 The Finance Committee approved the funding of part of 332CL as recommended by PWSC
- October 1999 The CE announced in his policy address the plan of the Administration to develop a major performance venue in the WKR and to hold an open competition to enlist the help of local and overseas professionals
- 16 November 1999 The CE in Council ordered that the use of the southern portion of the WKR should be fundamentally reviewed to facilitate the development of a world class integrated arts, cultural and entertainment district
- 18 November 1999 The Administration explained to the Panel on Planning, Lands and Works (PLW Panel) the decision to review the land uses of the southern portion of WKR for the development of a world class integrated arts, cultural and entertainment district and to delete part of an existing road and infrastructure works contract
- 13 December 1999 The Administration briefed the Panel on Home Affairs on the planning of a performance venue on WKR

20 December 1999	The Administration issued a note to the Finance Committee to explain its decision to review the land uses of the southern portion of WKR and the deletion of part of a road and infrastructure works contract
9 March 2000	The Administration briefed the PLW Panel on the holding of an open competition for WKR
6 April 2001	The launch of WKR Concept Plan Competition
28 February 2002	Announcement of the winning entries of the WKR Concept Plan Competition
19 April 2002	The Administration provided an information note to PLW Panel to report the outcome of the WKR Concept Plan Competition
September 2002	A Steering Committee for Development of the West Kowloon Cultural District (WKCD) was established
4 July 2003	The Administration briefed PLW Panel on its intention to issue an Invitation For Proposals for the Development of WKCD
5 September 2003	The Administration launched an Invitation For Proposals for the Development of the WKCD
18 November 2003	Joint meeting of the PLW Panel and HA Panel received deputations and discussed with the Administration on the IFP
25 November 2003	Joint meeting of the PLW Panel and HA Panel received deputations and discussed with the Administration on the IFP

- 26 November 2003 Motion debate on WKCD development at Council meeting
- Announcement of extended deadline for submission of proposals
- 27 April 2004 PLW Panel meeting discussed financial arrangement and received the latest progress report on WKCD development
- 19 June 2004 Deadline for submission of proposals. Five proposals were received.
- 14 July 2004 PLW Panel discussed the response to the IFP and the assessment process

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West Kowloon Cultural District

List of relevant papers

Council/Committee	Date of meeting	Paper
Public Works Subcommittee (PWSC)	23 September 1998	PWSC(98-99)17 (http://www.legco.gov.hk/yr98-99/english/fc/pwsc/papers/pw230917.pdf) LC Paper No. PWSC26/98-99 (http://www.legco.gov.hk/yr98-99/english/fc/pwsc/minutes/pw230998.htm)
Finance Committee (FC)	16 October 1998	FCR(98-99)33 (http://www.legco.gov.hk/yr98-99/english/fc/fc/minutes/fcmn1610.htm)
Planning, Lands and Works (PLW) Panel	18 November 1999	LC Paper No. CB(1)1065/99-00 (http://www.legco.gov.hk/yr99-00/english/panels/plw/minutes/pl181199.pdf)
FC	--	FCRI(1999-2000)18 (http://www.legco.gov.hk/yr98-99/english/fc/fc/papers/fi99-18e.pdf)
Home Affairs (HA) Panel	13 December 1999	LC Paper No. CB(2)587/99-00(01) (http://www.legco.gov.hk/yr99-00/english/panels/ha/papers/587e01.pdf) LC Paper No. CB(2)1456/99-00 (http://www.legco.gov.hk/yr99-00/english/panels/ha/minutes/ha131299.pdf)

Council/Committee	Date of meeting	Paper
PLW Panel	9 March 2000	LC Paper No. CB(1)1103/99-00(03) (http://www.legco.gov.hk/yr99-00/english/panels/plw/papers/a1103c03.pdf) LC Paper No. CB(1)1187/99-00 (Presentation Printout) LC Paper No. CB(1)1822/99-00 (http://www.legco.gov.hk/yr99-00/english/panels/plw/papers/letter0903.pdf) LC Paper No. CB(1)1595/99-00 (http://www.legco.gov.hk/yr99-00/english/panels/plw/minutes/pl090300.pdf)
PLW Panel	8 May 2002	LC Paper No. CB(1)1616/01-02 (http://www.legco.gov.hk/yr99-00/english/panels/plw/papers/plw0309cb1-1616-e.pdf)
PLW Panel	4 July 2003	LC Paper No. CB(1)2104/02-03(03) (http://www.legco.gov.hk/yr02-03/english/panels/plw/papers/plw0704cb1-2104-3e.pdf) LC Paper No. CB(1)2351/02-03 (http://www.legco.gov.hk/yr02-03/english/panels/plw/minutes/pl030704.pdf)
Council meeting	12 November 2003	Hansard (http://www.legco.gov.hk/yr03-04/english/counmtg/hansard/cm1112ti-translate-e.pdf)
PLW and HA Panels	18 November 2003	LC Paper No. CB(1)322/03-04(06) (http://www.legco.gov.hk/yr03-04/english/panels/plw/papers/haplw1118cb1-322-6e.pdf) LC Paper No. CB(1)817/03-04 (http://www.legco.gov.hk/yr03-04/english/panels/plw/minutes/hapl1118.pdf)

Council/Committee	Date of meeting	Paper
Council meeting	19 November 2003	Hansard (http://www.legco.gov.hk/yr03-04/english/counmtg/hansard/cm1119ti-translate-e.pdf)
PLW and HA Panels	25 November 2003	LC Paper No. CB(1)448/03-04(01) (http://www.legco.gov.hk/yr03-04/english/panels/plw/papers/haplw1125cb1-448-1e.pdf) LC Paper No. CB(1)819/03-04 (http://www.legco.gov.hk/yr03-04/english/panels/plw/minutes/hapl1125.pdf)
Council meeting	26 November 2003	Hansard (http://www.legco.gov.hk/yr03-04/english/counmtg/hansard/cm1126ti-translate-e.pdf)
PLW Panel	27 April 2004	LC Paper No. CB(1)1353/03-04(01) (http://www.legco.gov.hk/yr03-04/english/panels/plw/papers/haplw1125cb1-1353-1e.pdf) LC Paper No. LS47/03-04 (http://www.legco.gov.hk/yr03-04/english/panels/plw/papers/haplw1125ls-47-e.pdf) LC Paper No. CB(1) 2211/03-04 (http://www.legco.gov.hk/yr03-04/english/panels/plw/minutes/pl040427.pdf)
Council meeting	12 May 2004	Hansard (http://www.legco.gov.hk/yr03-04/chinese/counmtg/floor/cm0512ti-confirm-c.pdf)
Council meeting	19 May 2004	Hansard (http://www.legco.gov.hk/yr03-04/chinese/counmtg/floor/cm0519ti-confirm-c.pdf)

Council/Committee	Date of meeting	Paper
Council meeting	23 June 2004	Hansard (http://www.legco.gov.hk/yr03-04/english/counmtg/hansard/cm0623ti-translate-e.pdf)
PLW Panel	14 July 2004	LC Paper No. CB(1)2231/03-04(01) (http://www.legco.gov.hk/yr03-04/english/panels/plw/papers/plwcb1-2231-1e.pdf) LC Paper No. CB(1) 2464/03-04(01) (http://www.legco.gov.hk/yr03-04/english/panels/plw/papers/plw0714cb1-2464-1e.pdf) LC Paper No. CB(1) 2497/03-04 (http://www.legco.gov.hk/yr03-04/english/panels/plw/minutes/pl040714.pdf)
Council meeting	10 November 2004	Press release from the Administration on the statement on West Kowloon Cultural District project at the Council meeting (http://www.info.gov.hk/gia/general/200411/10/1110252.htm)

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