

LC Paper No. CB(1)289/05-06(05)

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Meeting of the Panel on Planning, Lands and Works on 22 November 2005

Background brief on Future development on the Tamar site

Introduction

In his Policy Address 2005-06, the Chief Executive stated the following under the heading of "Continuous Infrastructural Development" –

"With the upturn in our economy, an early reactivation of the plan to reprovision the Central Government Offices and the Legislative Council Building, shelved some time ago, will help meet a practical need and create thousands of jobs badly needed by the construction industry. The Legislative Council earlier agreed in 2003 to construct the new Central Government Offices and Legislative Council Building on the Tamar site. The project will facilitate the administration's closer interface with the legislature, and therefore enhance co-operation. The choice of the site has been approved by the Town Planning Board, is consistent with the development of Central District and accords with the long-term public interest. It is also cost-effective."

2. The Administration will brief the Panel on Planning, Lands and Works (PLW Panel) on its latest proposal for the Tamar development project at the Panel meeting on 22 November 2005. This paper seeks to provide some background information on the Tamar development project.

Inception of the project and subsequent events

3. The Tamar site is about 4.2 hectares in size, comprising 2 hectares of land zoned for "Open space" and 2.2 hectares zoned for "Government, Institution or Community (4)" on the Approved Central (Extension) Outline Zoning Plan. On 30 April 2002, the Executive Council approved that the Administration should proceed to develop the Tamar site for the new Central Government Complex (CGC) together with a new Legislative Council (LegCo) building and other compatible community facilities.

4. A chronology of the relevant events since the inception of the Tamar development project is set out in the **Appendix**.

The project proposal in 2003

5. According to the Administration's proposal submitted to the Public Works Subcommittee for consideration on 7 May 2003, the scope of the project comprises the design and construction of -

- (a) a CGC, with a total construction floor area (CFA) of 136 200 square metres (m^2) ;
- (b) a LegCo Complex, with a total CFA of $36\ 000\ m^2$;
- (c) an Exhibition Gallery, with a total CFA of 24 000 m^2 ;
- (d) a Civic Place, with a total area of about 2 hectares, which will be designed as a passive recreational space for the public;
- (e) 590 carparking spaces and other ancillary facilities such as loading and unloading areas and mechanical plant rooms (with a total CFA of 49 500 m²) for the CGC, the LegCo Complex and the Exhibition Gallery; and
- (f) two covered pedestrian footbridges connecting the Tamar development with other developments in the vicinity.

6. The estimated total cost for the design and construction of the above components was \$5,031.1 million in September 2002 prices and \$4,679.3 million in money-of-the-day prices. The Administration proposed to tender out the majority of the works through a design-and-build contract. The construction works were planned to start in early 2004 for completion in 2007. It was estimated that the project would create some 2 720 jobs comprising 80 professional staff, 190 technical staff and 2 450 labourers, totalling 73 000 man-months.

7. Separately, the design and fabrication of exhibits in the Exhibition Gallery was estimated to cost about \$174.9 million in money-of-the day prices and was expected to create some 155 jobs.

Members' views and concerns

Members' views and concerns on the project proposal in 2003

8. When the project proposal was discussed by the PLW Panel on 4 April 2003, members of the Panel were generally supportive of the project.

However, some members did not consider that there was a need to construct the Exhibition Gallery, and expressed concern that locating the Exhibition Gallery at the Tamar site would make the whole development overcrowded. Members also made the following comments –

- (a) procuring the Tamar development project by a design-and-build contract might result in compromising the design due to cost consideration;
- (b) energy-saving designs/facilities should be adopted for the two projects and the designs should enable savings in maintenance cost in future;
- (c) where possible, the Administration should ensure that the local workforce could benefit from the job opportunities created by the projects;
- (d) adequate transport facilities should be provided to cater for the future pedestrian and vehicular traffic destined for the Tamar development and the waterfront promenade.

9. When the funding proposal for the project was considered by Public Works Subcommittee (PWSC) on 7 May 2003, the following concerns/views were raised –

- (a) The development should be able to achieve the objective of providing a prime civic core of Hong Kong and a prominent landmark at the harbourfront and the design should embody the spirit of open and transparent government;
- (b) There should be further justification for the significant increase in the space provision for the Chief Executive's Office, the Executive Council and its Secretariat, and common and ancillary facilities in the new CGC;
- (c) The public transport arrangements should ensure easy access to the Tamar development;
- (d) The provision of underground public facilities was restricted due to security considerations and the need to accommodate carparking and other underground facilities to service the development. There should be further analysis on the effect of the restrictions on the alignment of Shatin and Central Link;
- (e) There should be further justification for providing an Exhibition Gallery on the Tamar site;

(f) Since only one building professional was sitting on the Special Selection Board, which had been set up to assess the applications for prequalification and the tenders and decide on the award of contract, the Board should solicit opinions from more experts and professionals in assessing the design proposals from tenderers.

10. At the PWSC meeting, the Administration agreed to provide supplementary information in response to the concern set out in (a) above and to consider the suggestion in (f) above. With the subsequent suspension of the project, the Administration had not provided any supplementary information subsequent to the PWSC meeting.

11. While the funding proposal was endorsed by PWSC on 7 May 2003, some members expressly indicated abstention from voting on that occasion.

Members' views and concerns on the decision in May 2003 to withhold the project

12. Following the announcement of the withholding of the project in May 2003, the PLW Panel discussed the Administration's decision at the meeting on 6 June 2003. Some members commented that the abrupt decision would leave a bad impression of the Government among the general public, the business sector and the international community, or even a loss of faith in the Government. Members also expressed concern on whether the decision would give rise to legal liabilities on the part of the Government, the effects on the long-term accommodation for LegCo, and the impact on the local economy and employment situation.

Views made by members at a recent Panel meeting

13. At the Panel meeting on 21 October 2005 to receive the briefing by the Administration on the Chief Executive's Policy Address 2005-06, a member made the view the Administration should observe two principles when planning the Tamar site. First, only those Government officials who genuinely had the need to work in Central should be housed in the CGC on the Tamar site and the building floor area to house the policy bureaux should be minimized. Second, more space should be allocated for public use and enjoyment of the harbour. Another member made the suggestion that a building design competition be held for the project.

Council Business Division 1 Legislative Council Secretariat 21 November 2005

Tamar development project

Chronology of events

Time	Event	References
30 April 2002	The Administration decided to proceed with the development of the Tamar site for a new Central Government Complex, a new Legislative Council building and other community facilities.	development of the Central Government Complex" issued on 30 April 2002
31 May 2002	The Administration briefed the PLW Panel on the project.	Information paper provided by the Administration LC Paper No. CB(1)1828/01-02(02) http://www.legco.gov.hk/yr01-02/english/panels/plw/papers/plw0531c b1-1828-2e.pdf Minutes of meeting http://www.legco.gov.hk/yr01-02/english/panels/plw/minutes/pl02053 1.pdf
August – December 2002	On 16 August 2002, the Administration published the prequalification document and invited applications for prequalification for participation in the subsequent tendering exercise for the design and construction of the project.	Press release of the Government on "Application for prequalification of tenderers for Tamar starts today" <u>http://www.info.gov.hk/gia/general/200208/16/0816073.htm</u> Press release of the Government on "Prequalified tenderers for Tamar development project" <u>http://www.info.gov.hk/gia/general/200212/18/1218151.htm</u>

Time	Event	References
	On 18 December 2002, the Administration announced that five applicants were prequalified.	
4 April 2003	On 4 April 2003, the Administration briefed the PLW Panel on the proposal to upgrade the Tamar development project to Category A.	Information paper provided by the Administration LC Paper No. CB(1)1245/02-03(03) <u>http://www.legco.gov.hk/yr02-03/english/panels/plw/papers/plw0404c</u> <u>b1-1245-3e.pdf</u>
7 May 2003	The funding proposal for the Tamar development project was considered and endorsed by the Public Works Subcommittee.	
26 May 2003	The Administration announced its decision to temporarily put the Tamar development project on hold in order to review the its spending priorities.	Press release of the Government on "Tamar Development Project put on hold temporarily" <u>http://www.info.gov.hk/gia/general/200305/26/0526174.htm</u>
27 May 2003	A joint meeting of the Panel on Transport and Panel on Security was originally scheduled for 27 May 2003 to discuss the security considerations in the planning of the new development at Tamar vis-à-vis the alignment of the Shatin to Central Link and other public transport services in the vicinity. The meeting was subsequently cancelled .	Information paper provided by the Administration <u>http://www.legco.gov.hk/yr02-03/english/panels/tp/papers/tpcb1-1741</u> <u>-1e.pdf</u>

Time	Event	References
6 June 2003	The PLW Panel discussed the Administration's decision to temporarily put the Tamar development project on hold.	LC Paper No. CB(1)1831/02-03(04)
19 November 2003	to defer the Tamar development project	http://www.info.gov.hk/gia/general/200311/19/1119080.htm