

Arrangements for Ma Wan Park

The Government and developer Sun Hung Kai Properties Ltd. (SHKP) have reached understanding on arrangements to ensure completion of the Ma Wan Park (MWP) according to schedule and to involve the community in the management of the Park.

In response to recent concerns about the completion of the MWP, the Development Bureau explained in a paper submitted to the Legislative Council Panel on Development that changes have been made to the original Master Layout Plan (MLP) approved by the Town Planning Board (TPB) in 1994.

As originally envisaged, the MWP would be developed as a commercial theme park operating on a closed and admission fee basis with a large number of rides. Subsequently, in order to minimize the overlap in concept with the Hong Kong Disneyland and also to conserve vegetation and preserve the setting of the Ma Wan Old Village, SHKP proposed a theme of "Naturally Hong Kong", with emphasis on retaining and refurbishing the existing structures in the Ma Wan town and conservation of the natural environment and cultural heritage, as well as promoting harmony and family values.

Based on the new concept, a revised MLP was submitted in 2003 to the TPB and concerned Government departments and was subsequently approved. Given the changes in the MLP, some related issues needed to be resolved and these included the finalization of a revised road scheme. All these necessitated the extension of the completion date of Phase 1 from June 2006 to the end of 2008.

Phase 1 of the MWP comprises three main features. The "Nature Garden" is an ecological park with different themes, such as nature, education, art and love. It was completed for trial operation by end 2006 and opened free of charge to the public in July 2007. The "Noah's Ark", a multiplex centre constructed in the full size of the original vessel as described in the Bible, is equipped with such facilities as multi-media exhibition venues, 4-D cinema entertainment, activity centres, and guesthouses. The "Solar Tower" is an education centre where exhibitions on the history of Chinese astronomy, solar

energy and related information will be held and where a solar telescope will be available for visitors to view the solar system.

Subject to completion of the land grant process, the “Noah's Ark” would be completed by end 2008. However, the design, construction and operation of “Solar Tower” are practically dependent on the authorization of the revised road scheme. “SHKP undertakes that the “Solar Tower” will be completed 24 months after the authorization of the revised road scheme”, a spokesman for Development Bureau said.

“Lands Department will closely monitor progress to ensure early completion of this last feature in Phase 1 of the MWP. Although Phase 2 has no pre-determined timetable for completion in the Heads of Agreement (HoA) agreed between Government and the developer, we have asked SHKP to consult the local community, including the Tsuen Wan District Council, on the concept, design, operation and management of Phase 2 and will work closely with SHKP for an early start.

“We also appreciate that the developer has agreed to take into account the latest emphasis placed on conservation and revitalisation and that the Ma Wan Old Town has potential for development along this approach,” the spokesman said.

As provided for in the HoA, the Government will enter into a Supplemental Agreement with SHKP over various aspects of the MWP. In addition, the Government and SHKP will enter into a Management Agreement to provide for the detailed arrangements for the future management of the MWP. The main provisions of these Agreements will be –

- (a) Payment to the Government upon completion of Phase 1 the unexpended balance of the MWP construction cost deducted from the Park Island premium in 1997 for the implementation of the MWP together with interest. As at June 2008, the planned expenditure for Phase 1 of MWP is estimated to be \$700 million. Total interest accrued up to June 2008 is over \$400 million.
- (b) Public involvement in the management of the MWP in the form of a 10-member Advisory Committee to be set up to advise on the

ongoing operation of the MWP comprising four members to be nominated by the Government and another two to be jointly nominated with SHKP; and these members would include officials and community members, including Members of the relevant District Council. SHKP has also agreed that a 10-member Board of Directors of its Ma Wan Park Limited should comprise up to 5 Government-nominated directors.

- (c) Ma Wan Park Limited will set up a sinking fund for the maintenance, repair and improvement of the MWP. At the end of each (7-year) financial period, any surplus after deducting reasonable operating cost will be credited into the sinking fund. Any cumulative deficit at the end of each financial period will be borne by SHK at its own expense. At the end of the 21-year land grant for the MWP (a recreational lease), SHK would need to return to the Government the final (positive) balance in the sinking fund.

“The MWP is a publicly-funded facility which SHKP will ensure its operation on a sustainable basis. The Government attaches importance to managing the MWP well, particularly in terms of ensuring public accessibility. We are pleased that SHKP agrees to this principle and the afore-mentioned arrangements.”

“SHKP has also pledged that the MWP is in essence a community project and will not generate any commercial gain for the Company.”

“The Supplemental Agreement to the HoA and a Management Agreement relating to the Park’s operation will both be legally binding contractual documents. These will provide solid basis for ensuring the proper operation of the MWP facilities for public enjoyment,” the spokesman said.

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