

**ITEM FOR PUBLIC WORKS SUBCOMMITTEE
OF FINANCE COMMITTEE**

**HEAD 708 – CAPITAL SUBVENTIONS AND MAJOR SYSTEMS AND
EQUIPMENT**

**17QW – Revitalisation Scheme – Revitalisation of Old Tai Po Police Station
into a Green Hub**

Members are invited to recommend to the Finance Committee the upgrading of the remaining part of **17QW**, entitled “Revitalisation Scheme - Revitalisation of Old Tai Po Police Station into a Green Hub”, to Category A at an estimated cost of \$50.3 million in money-of-the-day prices.

PROBLEM

The Old Tai Po Police Station in Tai Po would be revitalised into the “Green Hub” for sustainable living with educational programmes and training camps by the selected non-profit-making organisation (NPO), the Kadoorie Farm and Botanic Garden Corporation (KFBG), under the Revitalising Historic Buildings Through Partnership Scheme (the Revitalisation Scheme). As provided for under the Revitalisation Scheme, Government will meet the cost of the revitalisation works via a capital subvention under the Capital Works Reserve Fund.

/PROPOSAL

PROPOSAL

2. The Commissioner for Heritage (C for H), with the support of the Secretary for Development and on the advice of the Director of Architectural Services (D Arch S), proposes to upgrade the remaining part of **17QW** to Category A at an estimated cost of \$50.3 million in money-of-the-day (MOD) prices for the selected NPO to carry out the revitalisation works for the project.

PROJECT SCOPE AND NATURE

3. The scope of works under **17QW** proposed to be upgraded to Category A in this submission comprises the restoration and revitalisation of the Old Tai Po Police Station for accommodating the following facilities –

- (a) an exhibition area;
- (b) an information and resource centre;
- (c) three folk art and craft workshops;
- (d) a meeting room;
- (e) a training room;
- (f) a community co-operative market¹;
- (g) a kitchen store and food preparation room;
- (h) a cookery training area²;
- (i) a canteen;
- (j) 12 guest rooms³;
- (k) landscaped areas;

/(l)

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- 1 The community co-operative market will be a platform for connecting local producers and consumers and for providing support to local farmers and social enterprises with ecological and social missions. Products for sale on consignment in the market, will include local-community-produced or processed food, traditional handicrafts, furniture, green products, second-hand products, art and crafts, etc.
- 2 The cookery training area will provide education workshops and regular cooking classes mainly for school groups to promote low carbon food culture.
- 3 The guest rooms will support a range of two to five-day residential training programmes of the Green Hub, which target at both local and overseas participants.

- (l) office areas; and
- (m) other ancillary facilities, for example, toilets, storage areas, laundry room, linen store and plant rooms, etc.

4. The site plan is at Enclosure 1. Photos of the existing Old Tai Po Police Station are at Enclosure 2. Artist's impressions of the proposed Green Hub are at Enclosure 3. The floor plan is at Enclosure 4 and the landscape plan is at Enclosure 5. The elevations of the buildings are at Enclosure 6. Subject to funding approval by the Finance Committee (FC), KFBG plans to commence construction works in June 2012 for completion by September 2013. The Green Hub is expected to commence operation in the first quarter of 2014.

JUSTIFICATION

Policy Objective of Adaptive Re-Use of Historic Buildings

5. In August 2009, we invited NPOs with charitable status under section 88 of the Inland Revenue Ordinance (Cap.112) to apply for adaptive re-use of selected government-owned historic buildings in the form of social enterprise (SE) under the Revitalisation Scheme. The Scheme aims to achieve the dual objectives of preserving historic buildings and making these available for public use. The selection of NPO for each project followed a vigorous and competitive process and was carried out upon the advice of the Advisory Committee on Revitalisation of Historic Buildings which comprises experts from various fields.

6. Under the Revitalisation Scheme, the selected NPOs would become Government's "agents of heritage conservation" as they would not hold title to the land/buildings, and their SEs would operate in the government-owned historic buildings on a tenancy basis. Moreover, the performance of the SEs would be closely monitored through the terms of the tenancy agreement to ensure that the level of service and the provision of public access stated in their proposals were fully complied with. For the Old Tai Po Police Station in Tai Po, the KFBG was selected to undertake the preservation and revitalisation works to adapt the Old Tai Po Police Station into the Green Hub with a capital grant proposed in this submission. During the six-year tenancy period, KFBG is required under the tenancy agreement to fund the operating cost of the Green Hub with the revenue generated from the services to be provided at the premises and a government grant⁴, if needed. Any operating surplus is required to be ploughed back to support the operation of the Green Hub.

/Preservation

4 One-off grant to meet the starting costs and operating deficits (if any) of an SE for a maximum of the first two years of operation.

Preservation of Building with Historic and Architectural Value

7. The Old Tai Po Police Station, with a site area of 6 500 square metres (m²) and a total floor area of about 1 236 m², is located at the top of Tai Po Wan Tau Tong Hill abutting Wan Tau Kok Lane, Tai Po. Built in 1899, it was the first police headquarters in the New Territories. The importance of the building went beyond its function as a police regional headquarters because after the lease of the New Territories to the British Government in 1898, Tai Po became the administrative centre for the entire New Territories. The Old Tai Po Police Station therefore symbolised the authority of the colonial administration in the New Territories in the past. After World War II, the Old Tai Po Police Station was used consecutively as a police divisional office, a regional crime prevention office for the New Territories North Police Division, and temporary accommodation and offices for the Marine Police North Division. The Old Tai Po Police Station has been left vacant since 2006. The condition of the buildings has been deteriorating and the buildings require maintenance from time to time.

8. The Old Tai Po Police Station comprises three single-storey historic buildings (namely the Main Building, the Staff Quarters Block, the Canteen Block), and some open space. The Main Building of the police station is a single-storey bungalow, with its structures arranged around a central courtyard. The Staff Quarters Block provided accommodation for police officers posted to the police station. The Canteen Block was a later addition, using newer construction method and materials. The Antiquities and Advisory Board (AAB) accorded Grade one status to the Old Tai Po Police Station, in recognition of its historical significance and architectural merit.

Benefits of the Project

9. The revitalisation project will generate the following benefits –
- (a) The Green Hub will provide an environment with natural landscape for promoting sustainable living and integrated conservation. It will demonstrate to the local community an integrated approach to conserve the Old Tai Po Police Station, the mature trees, as well as the ecologically important egretty within the site;

/(b).

- (b) The Green Hub will serve as a centre for promoting affordable strategies for ecologically responsible and low carbon living by providing a range of courses and training in transformative education⁵ to enhance public understanding of pressing ecological and social concerns in Hong Kong and the Mainland. In addition, its cookery training area will promote low carbon food culture for school groups;
- (c) KFBG will collaborate with local folk artists in running regular workshops at the Folk Art and Craft Workshops of the Green Hub to enhance visitors' learning experience and promote folk arts. KFBG will arrange free guided tours of the police station (including the exhibition area) for the public. In addition, KFBG will set up a heritage trail, linking the revitalised Old Tai Po Police Station with the key heritage sites and other heritage resources of ecological and cultural interest in Tai Po District, such as Island House, Ma Shi Chau Special Area and Fung Yuen Butterfly Nature Reserve. The Green Hub will become a unique cultural landmark in Tai Po; and
- (d) The Green Hub will benefit the local economy by engaging the service of local organisations in running the project. For example, Hong Chi Association, which runs social enterprises providing employment to people with disabilities, will partner with KFBG in providing housekeeping and catering services. Local farmers and social enterprises with social and ecological missions can sell their products in the community co-operative market.

/FINANCIAL

5 KFBG has developed a collaboration with the Schumacher College in the United Kingdom to provide regular transformative education programmes at the Green Hub, with some of the world's leading thinkers and educators. Examples of potential teachers and courses include Holistic Education for Sustainability (Satish Kumar), The Economics of Happiness (Helena Norberg Hodge), Climate Change - Opportunities and Challenges (Vandana Shiva).

FINANCIAL IMPLICATIONS

10. We estimate the capital cost of the project to be \$50.3 million in MOD prices (please see paragraph 13 below), broken down as follows –

	\$ million	
(a) Demolition and site clearance	1.4	
(b) Building	18.6	
(c) Building services	4.1	
(d) Drainage	2.0	
(e) External works and landscaping	7.2	
(f) Additional energy conservation measures	1.0	
(g) Furniture and equipment ⁶	3.3	
(h) Consultants' fees for tender assessment, contract administration and management of resident site staff (RSS)	3.3	
(i) Remuneration of RSS	1.0	
(j) Contingencies	4.2	
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Sub-total	46.1	(in September 2011 prices)
(k) Provision for price adjustment	4.2	
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Total	50.3	(in MOD prices)
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/KFBG

6 Based on an indicative list of furniture and equipment.

KFBG will engage consultants to undertake tender assessment, contract administration, management of RSS and site supervision of the project. A detailed breakdown of the estimates of consultants' fees and RSS costs by man-months is at Enclosure 7.

11. Pre-construction consultancies and detailed design for the project are well underway. Subject to the finalisation of the detailed design and FC's approval for the project, KFBG intends to invite bids for the construction works in the second quarter of 2012.

12. The total construction floor area (CFA) of **17QW** is 1 236 m². The estimated construction unit cost, represented by the building and building services costs, about \$18,366 per m² of CFA in September 2011 prices. We consider the unit cost reasonable as the works involve the preservation and adaptive reuse of a historic building which was built in the 19th century and is now in a dilapidated condition. The estimated cost reflects the cost of works necessary for revitalising this historic building into the Green Hub for sustainable living with educational programmes and training camps⁷. The works would also allow the building to comply with modern-day requirements under the Buildings Ordinance (Cap. 123) and heritage conservation requirements of the Antiquities and Monuments Office (AMO), and has made allowance for construction difficulties anticipated for this site.

13. Subject to approval, we will phase expenditure as follows –

Year	\$ million (Sept 2011)	Price adjustment factor	\$ million (MOD)
2012 – 13	18.2	1.05375	19.2
2013 – 14	26.9	1.11171	29.9
2014 – 15	1.0	1.17285	1.2
	46.1		50.3

/14.

7 The Green Hub will provide a diverse range of training programmes, including five-day international transformative education course and two/three-day courses with ecological and conservation themes. The former will be targeted at community leaders and scholars from Hong Kong and the region. The latter will be targeted at local teachers, community leaders and working professionals.

14. We have derived the MOD estimate on the basis of Government's latest set of assumptions on the trend rate of change in the prices of the public sector building and construction output for the period from 2012 to 2015. KFBG will award the contract on a lump-sum basis because the scope can be clearly defined in advance. We will allow for price adjustments in the contract.

15. KFBG is responsible for the future maintenance of the historic building and all the facilities within the site at their own cost during the tenancy period of six years. The maintenance of the structural repairs of the historic building will be borne by Government. We estimate that the annual recurrent expenditure for the structural repair works to be borne by the Government upon completion of the project will be \$88,000 for the tenancy of six years.

PUBLIC CONSULTATION

16. We and KFBG briefed the Tai Po District Council on the project on 4 January 2011 and Members were generally supportive of the proposal.

17. KFBG consulted the AAB on its Heritage Impact Assessment (HIA) for the revitalisation project on 23 November 2011 and received its support.

18. We consulted the Legislative Council (LegCo) Panel on Development on 16 July 2011 and Members generally supported the project.

ENVIRONMENTAL IMPLICATIONS

19. The project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499). It will not cause any long-term adverse environmental impact. KFBG has included about \$0.5 million in the project estimate to implement suitable mitigation measures to control short-term environmental impacts.

20. During construction, KFBG will control noise, dust and site run-off nuisances to within established standards and guidelines through the implementation of mitigation measures in the relevant contract. These include the use of silencers, mufflers, acoustic lining or shields for noisy construction activities, frequent cleaning and watering of the site, and the provision of wheel-washing facilities. Also, protective measures will be taken to minimise potential impact to the egret on the northern side of the site. For example, site work with high disturbance will be avoided near the egret during the breeding season of egrets in late March to August; a protective barrier will be set up alongside the footpath at the northern side of the main building throughout the construction period.

21. At the planning and design stages, KFBG has considered measures to reduce the generation of construction waste where possible. These measures include the use of metal site hoardings and signboards, and retention of the existing structures and materials. In addition, KFBG will require the contractor to reuse inert construction waste (e.g. excavated soil) on site or in other suitable construction sites as far as possible, in order to minimise the disposal of inert construction waste at public fill reception facilities⁸. KFBG will encourage the contractor to maximise the use of recycled or recyclable inert construction waste, and the use of non-timber formwork to further reduce the generation of construction waste.

22. At the construction stage, KFBG will also require the contractor to submit for approval a plan setting out the waste management measures, which will include appropriate mitigation means to avoid, reduce, reuse and recycle inert construction waste. KFBG will ensure that the day-to-day operations on site comply with the approved plan. KFBG will require the contractor to separate the inert portion from non-inert construction waste on site for disposal at appropriate facilities. KFBG will control the disposal of inert construction waste and non-inert construction waste at public fill reception facilities and landfills respectively through a trip-ticket system.

/23.

8 Public fill reception facilities are specified in Schedule 4 of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation. Disposal of inert construction waste in public fill reception facilities requires a licence issued by the Director of Civil Engineering and Development.

23. KFBG estimates that the project will generate in total about 1 150 tonnes of construction waste. Of these, KFBG will reuse about 414 tonnes (36%) of inert construction waste on site and deliver 426 tonnes (37 %) of inert construction waste to public fill reception facilities for subsequent reuse. KFBG will dispose of the remaining 310 tonnes (27%) of non-inert construction waste at landfills. The total cost for accommodating construction waste at public fill reception facilities and landfill sites is estimated to be \$50,252 for this project (based on a unit cost of \$27 per tonne for disposal at public fill reception facilities and \$125 per tonne⁹ at landfills).

ENERGY CONSERVATION MEASURES

24. This project has adopted various forms of energy efficient features, including –

- (a) high coefficient of performance variable refrigerant volume air-conditioning system;
- (b) natural ventilation and limited mechanical ventilation to the space such as the plant rooms, toilets and washroom;
- (c) T5 energy efficient fluorescent tubes with electronic ballast and lighting control by occupancy sensors provided for meeting room and office;
- (d) occupancy sensors for lightings in corridor, toilets and washrooms etc.
- (e) light emitting diode (LED) type exit signs; and
- (f) daylight interlock control for lighting in meeting rooms and offices.

/25.

⁹ This estimate has taken into account the cost for developing, operating and restoring the landfills after they are filled and the aftercare required. It does not include the land opportunity cost for existing landfill sites (which is estimated at \$90 per m³), nor the cost to provide new landfills (which is likely to be more expensive) when the existing ones are filled.

25. The need to preserve the existing open area and trees and to minimise impact to the site gives limited above-ground spaces for installation of renewable energy devices. Also, no new device would be installed on the roof of the existing buildings so as to minimise visual impact to the historic building. Therefore, only a small portable solar oven for demonstrating the use of renewable energy would be provided for education purpose, while grey water recycling and rain water harvesting system will be adopted for irrigation purpose. Kitchen waste will be treated on-site by composting method and the compost will be used as fertiliser for the plants within the compound.

26. For greening features, KFBG will provide lawn areas in the courtyard and landscape greening for environmental and amenity benefits.

27. The total estimated additional cost for adoption of the above features is around \$1 million (including \$0.3 million for energy efficient features), which has been included in the cost estimate for this project. The energy efficient features will achieve 16.4% energy savings in the annual energy consumption with a payback period of about 6.5 years.

HERITAGE IMPLICATIONS

28. As required under prevailing requirements, this project is subject to an HIA. The HIA report in the form of a Conservation Management Plan was considered by the AMO of the Leisure and Cultural Services Department, which had no objection to the report. KFBG also consulted the AAB on the HIA report for this project at its meeting on 23 November 2011 and received its support. KFBG will ensure that the construction works, future maintenance and interpretation of the site history to be carried out will comply with the mitigation measures, recommendations and requirements stipulated in the HIA report. In case of any amendment to the scheme or the detailed design, KFBG will further consult the AMO and the AAB as necessary to formulate additional mitigation measures to ensure that any possible impact on the heritage site is acceptable from the conservation perspective.

LAND ACQUISITION

29. The project does not require any land acquisition.

/BACKGROUND.....

BACKGROUND INFORMATION

30. We upgraded **17QW** to Category B in November 2010. Part of **17QW** was upgraded to Category A as **13QW** in February 2011 under delegated authority at an estimated cost of \$3.1 million in MOD prices for KFBG to carry out the pre-construction consultancies (including architectural service, heritage conservation, town planning, structural and geotechnical engineering, building services, landscape architectural and quantity surveying services, and preparation of tender documentation) and minor investigation works for **17QW**.

31. Details of the Revitalisation Scheme were set out in LegCo Paper No. CB(2)637/07-08(03), which was discussed by the LegCo Panel on Home Affairs on 2 January 2008.

32. Of the 37 trees within the project boundary, 32 trees (including 2 important trees¹⁰) will be preserved. The remaining 5 trees will be felled. All trees to be felled are not important trees and they are either causing structural problems to the historic Old Tai Po Police Station or are in poor and dying condition. KFBG will incorporate planting proposals as part of the project, including the planting of about 13 trees.

33. We estimate that the proposed works will create about 76 jobs (comprising 11 professional/technical staff and 65 labourers), providing a total employment of 830 man-months.

Development Bureau
January 2012

10 An “important tree” refers to trees in the Register of Old and Valuable Trees, or any other trees that meet one or more of the following criteria –

- (a) trees of 100 years old or above;
- (b) trees of cultural, historical or memorable significance e.g. Fung Shui tree, tree as landmark of monastery or heritage monument, and trees in memory of an important person or event;
- (c) trees of precious or rare species;
- (d) trees of outstanding form (taking account of overall tree sizes, shape and any special features) e.g. trees with curtain like aerial roots, trees growing in unusual habitat; or
- (e) trees with trunk diameter equal or exceeding 1.0 metre (m) (measured at 1.3 m above ground level), or with height/canopy spread equal or exceeding 25 m.

17QW – Revitalisation Scheme - Revitalisation of the Old Tai Po Police Station into Green Hub

**Breakdown of estimates for consultants' fees and resident site staff costs
(in September 2011 prices)**

		Estimated man-months	Average MPS* Salary Point	Multiplier (Note 1)	Estimated Fees (\$ million)
(a)	Consultants' fees for tender assessment, contract administration and management of resident site staff (RSS) (Note 2)	Professional	-	-	2.7
		Technical	-	-	0.6
				Sub-total	3.3
(b)	Remuneration of RSS (Note 3)	Technical	30	14	1.6
				Sub-total	1.0
				Total	4.3

* MPS = Master Pay Scale

Notes

1. A multiplier of 1.6 is applied to the average MPS salary point to estimate the cost of RSS supplied by the consultants. (As at now, MPS salary point 14 = \$21,175 per month.)
2. The consultants' fees for tender assessment and contract administration is calculated in accordance with the existing consultancy agreements of **13QW**. The construction phase of the assignment will only be executed subject to Finance Committee's funding approval to upgrade **17QW** to Category A.
3. The figures on estimates are prepared by the Kadoorie Farm and Botanic Garden Corporation and agreed by the Commissioner for Heritage. Director of Architectural Services has examined the figures and considered them acceptable. For RSS costs, KFBG will only know the actual costs after completion of the construction works.