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Panel on Development

Meeting on 18 July 2018

Updated background brief on the Energizing Kowloon East Office and the Energizing Kowloon East initiatives

Purpose

This paper provides background information on the Energizing Kowloon East Office ("EKEO")¹ and a brief account of the views expressed by Members on the operation of EKEO and the implementation progress of the Energizing Kowloon East ("EKE") initiatives at relevant meetings of the Panel on Development ("DEV Panel"), the Establishment Subcommittee ("ESC") and the Finance Committee ("FC").

Background

2. In his 2011-2012 Policy Address, the then Chief Executive announced that a visionary, coordinated and integrated approach would be adopted to expedite the transformation of Kowloon East ("KE"), including the Kai Tak Development ("KTD") area, Kowloon Bay Business Area and Kwun Tong Business Area, into an attractive, alternative core business district ("CBD2") to support Hong Kong's economic development.

3. On 16 January 2012, the Administration briefed DEV Panel on its proposal to set up a Kowloon East Development Office ("KEDO") under the Development Bureau ("DEVB") for one year, and the creation of two supernumerary directorate posts, i.e. one Principal Government Town

¹ Initially known as Kowloon East Development Office.

Planner ("PGTP") (D3) and one Government Architect ("GA") (D2), for one year with effect from 1 July 2012 to head KEDO.²

4. KEDO was inaugurated on 7 June 2012 to steer, supervise, oversee and monitor the transformation of KE. Subsequently, the Administration renamed KEDO as EKEO to better reflect its initiatives and vision to energize KE into a vibrant business area. Under the steer of DEVB, EKEO is headed by the PGTP (designated as Head of EKEO) and the GA (designated as Deputy Head of EKEO), and supported by 22 civil servants and non-civil service contract staff forming a multi-disciplinary team of town planners, architects, landscape architects, engineers, surveyors as well as technical and administrative support staff. The major duties of EKEO are in **Appendix I**.

5. Subsequent proposals were submitted by the Administration for the extension of the operation of EKEO:

- for four years up to 30 June 2017, including the extension of the two supernumerary directorate posts mentioned in paragraph 3 above in EKEO for the same period to provide dedicated support at the directorate level to take forward the EKE initiatives;³ and
- for four years and nine months up to 31 March 2022, including the extension of the two supernumerary directorate posts mentioned in paragraph 3 above in EKEO for the same period to continue to take forward the improvement proposals and development plans, various ongoing studies including consultancies, and various Public Works Programme projects at different stages of planning, design, funding application and implementation.⁴

6. At the DEV Panel meeting on 22 November 2016, the Administration updated members on the work progress of EKEO. According to the Administration, EKEO had been focusing efforts on

² The funding proposal (<u>EC(2011-12)20</u>), endorsed by ESC, was then approved by FC in April 2012.

³ DEV Panel was consulted on 7 January 2013. The funding proposal (EC(2012-13)24), endorsed by ESC, was then approved by FC in May 2013.

⁴ DEV Panel was consulted on 22 November 2016. The funding proposal (EC(2016-17)21), endorsed by ESC, was then approved by FC in March 2017.

enhancing connectivity, improving the environment, unleashing development potential and exploring the feasibility of Smart City development. These were outlined in the latest Conceptual Master Plan 5.0 for EKE and the Energizing Kowloon East 2012 - 2016+ booklet.⁵

Major views and concerns expressed by Members

7. The major views and concerns expressed by Members on the operation of EKEO and the implementation progress of the EKE initiatives are summarized in the ensuing paragraphs.

Role and operation of the Energizing Kowloon East Office

8. Some Members considered that EKEO should not only provide administrative support but also take the lead in resolving conflicting requirements of the government bureaux/departments for taking forward the project. Some Members held the view that EKEO should not push for changes and developments but respect the industrial heritage and cultural development of KE, listen to the views of the local community carefully, and adopt those views into the planning of the district.

9. The Administration advised that EKEO would provide one-stop co-ordination and advisory service to land development proposals of private sectors and explore incentives for redevelopment and conversion proposals to facilitate the transformation of the old industrial areas. Other than playing a facilitating role, EKEO would also apply the "place-making" approach to create quality public spaces for public enjoyment and build a pedestrian-friendly environment in KE.

10. There were concerns among Members about the working relationship between EKEO and the Kai Tak Office ("KTO"), which leads and oversees the coordination and implementation of KTD, and the role of relevant District Council(s) ("DCs") in EKEO's work. Some Members suggested that EKEO should also handle suggestions for energizing nearby areas, such as To Kwa Wan, and gauge the views of the Kowloon City DC.

11. The Administration advised that KE comprised the new KTD area and the highly-developed Kwun Tong and Kowloon Bay districts. Whilst KTO under the Civil Engineering and Development Department ("CEDD")

 ⁵ Details about the Conceptual Master Plan 5.0 and the Energizing Kowloon East 2012
- 2016+ booklet are available in <u>the website of EKEO</u>

would continue to assume its role in delivering infrastructural projects in the KTD area, EKEO would focus on wider strategic issues in transforming KE into a premier business district. If EKEO, through its discussions with DCs and other stakeholders, came across any views and suggestions about redevelopment of nearby areas, it would refer them to the relevant authorities for consideration and follow-up.

12. Regarding the role of the non-civil service contract staff in EKEO and division of work between the civil servants and non-civil service contract staff in the office, the Administration advised that the non-civil service contract staff to be employed for EKEO would be estate surveyors and lawyers who would bring in working experience in the private sector to complement the knowledge and experience of town planners, architects and engineers drawn from the civil service.

Implementation progress of the Energizing Kowloon East initiatives

13. Members were concerned about the progress of EKE initiatives taken forward by EKEO. For instance, the implementation progress of the Environmentally Friendly Linkage System ("EFLS") in KE was slow. Some Members suggested that the Administration should keep the public informed of the implementation timetable for major action items under the EKE initiatives and group them into packages with target completion dates, so as to facilitate the public to understand the progress made.

14. The Administration advised that apart from implementing certain small and medium projects, EKEO would carry out preparatory and advance engineering work for the major tasks for transforming KE. The Administration would consider the best way to keep the public informed of the progress made under the EKE initiatives.

Arts practitioners and small business operators in Kowloon East

15. Members expressed concerns about the impact of the EKE initiatives on existing arts practitioners and small business operators in KE. In particular, many arts workshops and studios, and small business operators had been forced to move out from KE because of the rising rentals of shops and industrial premises due to the transformation of KE. Some Members urged the Administration to provide alternative space in KE, such as earmarking space in the land for sale for future private development, for arts practitioners to continue their operation in the district, and at the same time, develop open space for public arts activities. Some

Members called on EKEO to actively approach and communicate with those arts practitioners to address their concerns.

16. The Administration advised that the EKE initiatives aimed to transform KE into CBD2. It was necessary for the Administration to continue with the EKE initiatives with a view to ensuring a steady supply of new high grade offices to help meet the commercial floor space requirement and support economic growth in the long run. EKEO had been in close communication with different arts and community groups to collect their views on the project. EKEO would explore the reservation of space for art, cultural and creative uses when formulating the development plans for the Kowloon Bay Action Area and Kwun Tong Action Area.

Traffic condition in Kwun Tong

17. Some Members were concerned that the traffic congestion problem in Kwun Tong, in particular at the roundabout at Hoi Yuen Road, had become much worse after the development of new commercial buildings in the district in recent years. They called on the Administration to improve the traffic condition in Kwun Tong, apart from the minor road improvement works carried out by EKEO. Some Members stressed that, in developing KE into CBD2 of Hong Kong, the Administration should attach importance to the integration and connection between the new development areas and the already built-up areas in the district.

18. The Administration advised in December 2016 that EKEO had commissioned the Planning and Engineering Study for the Development at Kwun Tong Action Area to formulate, among other things, long-term proposals to improve the traffic condition around the Kwun Tong Action Area, including the Hoi Yuen Road roundabout. EKEO had also recommended improvement schemes, which would be taken forward progressively, along four major east-west corridors and six north-south corridors to improve connectivity within Kwun Tong Business Area and its connectivity with Kowloon Bay Business Area and the adjacent residential areas in Kwun Tong.

19. At the Council meeting of 7 June 2017, a Member raised a question on the projects implemented by EKEO to improve pedestrian and traffic networks. The hyperlink on the details of the question is provided in **Appendix II**.

The proposed Environmentally Friendly Linkage System

20. Members expressed various views on the proposed EFLS for KE. Some Members cast doubt on the suitability and financial viability of adopting an elevated monorail system in KE, while other Members considered that developing an at-grade EFLS in KE was infeasible given the existing congested traffic in the district. Some Members opined that the proposed EFLS should connect Ngau Tau Kok and Kwun Tong so as to achieve a comprehensive intra-district connectivity in KE, though this might affect the patronage level of the MTR train service.

21. The Administration advised in November 2016 that CEDD was conducting the Detailed Feasibility Study on the proposed EFLS for KE in two stages. The first stage was to formulate a well-planned integrated multi-modal linkage system by evaluating various green public transport modes to enhance the connectivity of KE. Under the second stage, the most suitable and cost-effective green public transport mode(s) for KE would be selected for in-depth evaluation. The decision on whether to implement the project would be subject to the findings of the Study, including financial, technical and environmental needs and public consultation.

Latest development

22. At the meeting of DEV Panel to be held on 18 July 2018, the Administration will brief members on the progress of the EKE initiatives taken forward by EKEO.

Relevant papers

23. A list of relevant papers is shown in **Appendix II**.

Council Business Division 1 Legislative Council Secretariat 11 July 2018

Appendix I

Major duties of the Energizing Kowloon East Office

The major duties of the Energizing Kowloon East Office are as follows:

- (a) to advocate and further develop the Conceptual Master Plan for Energizing Kowloon East and explore options for strategic refinement of the Outline Zoning Plans;
- (b) to engage major stakeholders and the public to promote Kowloon East to local and overseas developers and users;
- (c) to provide one-stop support to land development proposals that are conducive to private sector development for transforming Kowloon East; and
- (d) to coordinate the Government's efforts and resources for area improvement works.

Source: The website of the Energizing Kowloon East Office

Appendix II

The Energizing Kowloon East Office

List of relevant papers

Council/ Committee	Date of meeting	Paper
Panel on Development	16 January 2012	Administration's paper on "Kowloon East Development Office" [LC Paper No. CB(1)797/11-12(03)] Minutes of meeting [LC Paper No. CB(1)1608/11-12]
Establishment Subcommittee	15 February 2012	Administration's paper on "Head 159 — Government Secretariat: Development Bureau (Works Branch)" [EC(2011-12)20] Minutes of meeting [LC Paper No. ESC36/11-12]
Finance Committee	20 April 2012	Administration's paper on "Recommendations of the Establishment Subcommittee" [FCR(2012-13)9]
Panel on Development	7 January 2013	Administration's paper on "Progress report of Energizing Kowloon East Office and its continuing operation" [LC Paper No. CB(1)287/12-13(03)] Administration's follow up paper [LC Paper No. CB(1)499/12-13(01)] Minutes of meeting [LC Paper No. CB(1)581/12-13]

Council/ Committee	Date of meeting	Paper
Establishment Subcommittee	20 March 2013	Administration's paper on "Head 159 — Government Secretariat: Development Bureau (Works Branch)" [EC(2012-13)24] Minutes of meeting [LC Paper No.
		<u>ESC33/12-13</u>]
Finance Committee	24 May 2013	Administration's paper on "Recommendations of the Establishment Subcommittee" [FCR(2013-14)1]
Panel on Development	22 November 2016	Administration's paper on "Extending the Operation of Energizing Kowloon East Office" [LC Paper No. CB(1)133/16-17(04)]
		Background brief on the Energizing Kowloon East Office prepared by the Legislative Council Secretariat [LC Paper No. CB(1)133/16-17(05)]
		Minutes of meeting [LC Paper No. CB(1)411/16-17]
		Administration's follow-up paper [LC Paper No. CB(1)361/16-17(01)]
Establishment Subcommittee	18 January 2017 26 January 2017	Administration's paper on "Head 159 — Government Secretariat: Development Bureau (Works Branch)" [EC(2016-17)21]
		Minutes of meeting (18 January 2017) [LC Paper No. ESC63/16-17]
		Minutes of meeting (26 January 2017) [LC Paper No. ESC64/16-17]

Council/ Committee	Date of meeting	Paper
Finance Committee	24 March 2017 25 March 2017	Minutes of meeting (24 March 2017) [LC Paper No. FC149/17-18] Minutes of meeting (25 March 2017) [LC Paper No. FC140/17-18] [LC Paper No. FC141/17-18]
Council	7 June 2017	Hansard — written question (No. 17) on "Projects implemented by the Energizing Kowloon East Office to improve pedestrian and traffic networks" (p. 9211-9217)