

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

### **HEAD 703 - BUILDINGS**

#### **Social Welfare and Community Buildings - Community centres and halls 173SC - Centre for Youth Development**

Members are invited to recommend to Finance Committee -

- (a) the upgrading of part of **173SC**, entitled "Centre for Youth Development - pre-contract consultancy" to Category A at an estimated cost of \$52 million in money-of-the-day prices; and
- (b) the retention of the remainder of **173SC** in Category B.

### **PROBLEM**

We need to construct the Centre for Youth Development (CYD) to serve as a centralised facility and a focal point for promoting youth development. However, the Director of Architectural Services (D Arch S) does not have sufficient in-house staff resources to carry out the pre-contract preparatory works for the proposed project.

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## PROPOSAL

2. D Arch S, with the support of the Secretary for Home Affairs, proposes to upgrade part of **173SC** to Category A at an estimated cost of \$52 million in money-of-the-day (MOD) prices for the employment of consultants to prepare the outline sketches, detailed design and contract documentation for the pre-contract stage of the proposed Centre for Youth Development.

## PROJECT SCOPE AND NATURE

3. The scope of **173SC** comprises the demolition of the existing five-storey Chai Wan Community Centre and the construction of a 24-storey CYD which will have an estimated total gross floor area (GFA) of 35 000 square metres at the junction of Chai Wan Road and Wan Tsui Road in Chai Wan. The new centre will provide reprovioned accommodation for existing services, including a community hall, a day nursery, office/service accommodation for the Group Work Unit of the Social Welfare Department and supporting facilities, and will provide the following new facilities for youth development -

- (a) a youth hostel with 150 twin guest bedrooms with bathrooms and communal pantry, common room/TV room on each floor, a conference room, activity/function/meeting rooms, a library, laundry rooms, staff rest rooms and changing rooms and offices;
- (b) a youth convention centre with multi-purpose function/activity rooms and exhibition halls;
- (c) youth development activities areas for various youth development programmes/services designed for promoting arts and culture, information technology and leadership training;
- (d) operational areas for non-governmental organisations promoting youth development on a rental basis and government departments including the Social Welfare Department and the Home Affairs Department; and
- (e) a cafe and shops to be run by youth entrepreneurs and commercial enterprises interested in promoting youth development.

4. The project will be implemented in two phases with the design and construction supervision undertaken by consultants. The first phase will include the demolition of the existing community centre on site and substructure works while the second phase will include the main building works and fitting-out of the facilities. The part of the project under **173SC** that we now propose to upgrade to Category A comprises the employment of consultants to prepare outline sketches, detailed design and contract documentation. Upon completion of the detailed design, we would seek approval for funds for the remaining part of the project.

### JUSTIFICATIONS

5. Over the years, there has been increasing concern within the community on the need to enhance youth development, in particular improving civic awareness and strengthening the moral values of the young. In 1997, the Chief Executive tasked the Commission on Youth (the Commission) to carry out a study on how our young people could take up a more active role in building up the Special Administrative Region and in voluntary work. The study revealed that there was a trend that young people lack the motivation to participate in community affairs and take up responsibilities. This has reinforced the concerns of many of the subscribers to the Charter for Youth who have been urging the Administration to provide more training and development opportunities to equip young people for the challenges of the next millennium. In the light of these findings, the Commission on Youth recommended that we should organise more youth development programmes, including the promotion of widely accepted positive values, leadership training, encouraging voluntary participation in community affairs and the promotion of a stronger understanding of our cultural heritage and those of other countries. We have accepted the thrust of the Commission's recommendations and as a long term strategy, we propose to construct a centre for youth development with various facilities detailed in paragraph 3 above, at the existing site of the Chai Wan Community Centre to provide centralised facilities to promote youth development. The Chief Executive announced this project in his 1998 Policy Address.

6. The various facilities proposed in paragraph 3 will help promote youth development in the following ways -

- (a) the youth hostel will provide residential facilities for youth exchange and leadership training programmes;
- (b) the youth convention centre will provide facilities for seminars, activities and functions targeted at young people;

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- (c) the youth development activities areas will provide facilities which help promote arts and culture, information technology and leadership training among young people visiting Hong Kong;
- (d) operational areas for non-governmental organisations and government departments will provide venues for running activities for young people; and
- (e) the caf  and shops will serve the needs of local and overseas visitors to the CYD.

7. The CYD will act as a focal point for non-governmental organisations (NGOs) and youth groups to organise youth development activities. It would serve the territory-wide youth population, while also providing district-based services to young people. It would provide the necessary facilities for youth development projects at a relatively low cost on the basis that Government would provide the capital costs of the CYD. The project would be a positive indication of Government's commitment to promoting youth development. To show its support for the project, the Board of Management of the Chinese Permanent Cemeteries has agreed to donate \$200 million to help finance its capital costs.

8. Since the CYD will be a central facility, it should be located at a site convenient to young people. We have identified the existing Chai Wan Community Centre site as being the most appropriate available site at the time for the following reasons. The site is at the centre of Chai Wan and is connected by a footbridge to the Chai Wan MTR station. Outdoor and recreational facilities such as the Chai Wan Park and the Chai Wan Indoor Games Hall are within walking distance, while the Lei Yue Mun Holiday Village is also located in the vicinity. Through the MTR network, young people from various districts would find this site accessible and convenient.

9. Apart from serving the territory wide youth population, the CYD will continue to serve the local residents of the Chai Wan District. The 1996 Population By-Census reveals that about one-third of the population in Chai Wan falls within the 15-34 age group. Persons under the age of 34 now account for over 50% of the total population in Chai Wan. Further residential development will increase the population by 28 000 in the next 5 years. By then, half of the population in Chai Wan will be under the age of 35.

10. The existing Chai Wan Community Centre is a five-storey building, with a GFA of 2 808 square metres, built in the 1970s. The Community Centre has been in operation since 1975. All the existing services in the Centre will be reprovisioned to the CYD. By redeveloping the existing community centre and combining it with the proposed youth development facilities, the site can be fully optimised at a plot ratio of 9, providing a total gross floor area of about 35 000 square metres, twelve times the existing community centre's total gross floor area.

### FINANCIAL IMPLICATIONS

11. We estimate the total capital cost of the CYD to be \$856.3 million (at December 1998 price levels). We estimate the cost of the pre-contract consultants' fees to be \$52 million in MOD prices (see paragraph 13 below), made up as follows -

	<b>\$ million</b>	
(a) Consultants' fees for		
(i) outline sketches	9.4	
(ii) detailed design	14.9	
(iii) contract documentation	24.2	
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Sub-total	48.5	(at December 1998 prices)
(b) Provision for price adjustment	3.5	
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Total	52.0	(in MOD prices)
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A breakdown by man months of the estimate for consultants' fees is at the Enclosure.

12. We have considered the possibility of implementing the project using ArchSD staff only. In this context, D Arch S reviewed his overall departmental

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workload and advised that deploying in-house resources for this project would compromise other already committed projects. It is therefore proposed that the project should be implemented by consultants.

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

Year	\$ million (Dec 1998)	Price adjustment factor	\$ million (MOD)
2000 - 2001	35.0	1.06217	37.2
2001 - 2002	13.5	1.09934	14.8
	48.5		52.0

14. We derived the MOD estimates on the basis of Government's latest forecast of trend labour and construction prices for the period 1999 to 2002. We will tender the proposed consultancy on a lump-sum basis with provision for price fluctuation because the contract period will be longer than 12 months.

15. The proposed consultancy will not give rise to any annually recurrent expenditure.

## **PUBLIC CONSULTATION**

16. We consulted the Eastern Provisional District Board on **173SC** in April 1998. Members of the Board supported the project.

17. To oversee the development of the project, the Administration has set up a Steering Committee comprising representatives from relevant Government departments, the Eastern Provisional District Board and the Board of Management of Chinese Permanent Cemeteries, the Chairman of the Commission on Youth and members of youth groups. The Steering Committee, on the advice of the Commission on Youth, invited views from over 150 youth groups between 10 December 1998 to 15 January 1999 and uploaded on the internet the same invitation

letter to the Homepage of the Home Affairs Bureau. The Steering Committee received 21 written submissions. In addition, we also held two consultation sessions on 16 December 1998 and 6 January 1999 respectively with 46 youth groups. All the youth groups were supportive of the project.

18. We submitted the proposal to upgrade part of **173SC** to the Public Works Subcommittee on 14 April 1999. At the meeting, Members asked the Administration to brief the Legislative Council Panel on Home Affairs, which we did on 27 May 1999. Members in general had no objection to the proposal. The major issues discussed were the choice of site and the future management and operation of the CYD.

### **ENVIRONMENTAL IMPLICATIONS**

19. D Arch S completed a Preliminary Environmental Review (PER) of the project in March 1998. The PER concluded that with the provision of central air-conditioning in the building, we can keep the traffic noise impacts from adjacent roads within the established criteria. The Director of Environmental Protection vetted the PER and agreed that an Environmental Impact Assessment would not be necessary. The proposed consultancy will not have any adverse environmental implications.

### **LAND ACQUISITION**

20. The proposed consultancy does not require any land acquisition.

### **BACKGROUND INFORMATION**

21. We upgraded **173SC** to Category B in September 1998. The total estimated cost of the project is \$856 million (at December 1998 price levels). We plan to start the pre-contract consultancy in November 1999 for completion by July 2001. We plan to start the piling works in October 2000 for overall completion by December 2003.

22. On 14 April 1999, we submitted a proposal to part upgrade **173SC** to Category A vide paper PWSC(1999-2000)5. At the meeting, whilst Members did not dispute the need to provide greater youth services facilities, they considered that

a number of issues relating to the concepts, objectives and the future operational arrangements of the proposed CYD would require further clarification and discussion. Members suggested that the Legislative Council Panel on Home Affairs should be briefed on the project before the funding proposal is further considered. In view of Members queries, we withdrew the proposal and undertook to brief the Home Affairs Panel before re-submitting the proposal for Members' consideration.

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Home Affairs Bureau  
June 1999

(PWSC0104/WIN4)

**173SC - Centre for Youth Development**

**DETAILS OF CONSULTANTS' FEES**

**Breakdown of estimates of consultants' fees**

Category of works/items		Estimated man months	Average MPS* salary point	Multiplier factor	Estimated fee (\$ million)
<b>(I) Outline sketch</b>					
(a) Architectural discipline	Professional	22.6	40	2.4	3.40
	Technical	29.7	16	2.4	1.50
(b) Building services discipline	Professional	10.6	40	2.4	1.60
	Technical	13.9	16	2.4	0.70
(c) Structural engineering discipline	Professional	8.6	40	2.4	1.30
	Technical	11.9	16	2.4	0.60
(d) Quantity surveying discipline	Professional	1.3	40	2.4	0.20
	Technical	2.0	16	2.4	0.10
				Sub-total	9.40
<b>(II) Detailed design</b>					
(a) Architectural discipline	Professional	30.5	40	2.4	4.60
	Technical	39.7	16	2.4	2.00
(b) Building services discipline	Professional	19.9	40	2.4	3.00
	Technical	25.8	16	2.4	1.30
(c) Structural engineering discipline	Professional	15.9	40	2.4	2.40
	Technical	21.8	16	2.4	1.10

Category of works/items		Estimated man months	Average MPS* salary point	Multiplier factor	Estimated fee (\$ million)	
(d) Quantity surveying discipline	Professional	2.0	40	2.4	0.30	
	Technical	4.0	16	2.4	0.20	
					Sub-total	14.90
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(III) Contract documentation						
(a) Architectural discipline	Professional	53.1	40	2.4	8.00	
	Technical	67.4	16	2.4	3.40	
(b) Building services discipline	Professional	16.6	40	2.4	2.50	
	Technical	21.8	16	2.4	1.10	
(c) Structural engineering discipline	Professional	14.6	40	2.4	2.20	
	Technical	15.9	16	2.4	0.80	
(d) Quantity surveying discipline	Professional	28.5	40	2.4	4.30	
	Technical	37.7	16	2.4	1.90	
					Sub-total	24.20
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<b>Total consultants' staff costs</b>					<b>48.50</b>	
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\* MPS = Master Pay Scale

### Notes

1. A multiplier factor of 2.4 is applied to the average MPS point to arrive at the full staff costs including the consultants' overheads and profit, as the staff will be employed in the consultants' offices. (At 1.4.1998, MPS pt. 40=\$62,780 p.m. and MPS pt. 16 = \$21,010 p.m.).

2. The figures given above are based on estimates prepared by the Director of Architectural Services. We will only know the actual man months and actual fees when we have selected the consultants through the usual competitive bidding system.

(PWSC0104/WIN4)

