

香港特別行政區政府

The Government of the Hong Kong Special Administrative Region

房屋及規劃地政局

香港花園道美利大廈

Housing, Planning and Lands
BureauMurray Building,
Garden Road, Hong Kong

Tel: 2186 8795

Fax: 2899 2916

本局檔號 Our Ref. HPLB(P)50/01/173/5 Pt.3

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9 September 2005

Miss Odelia LEUNG
Clerk to Subcommittee on West Kowloon Cultural District Development
Legislative Council Building
8 Jackson Road
Central, Hong Kong

Dear Miss LEUNG,

**Subcommittee on West Kowloon Cultural District Development
Meeting on 13 September 2005**

Thank you for your letter of 5 September, inviting the Administration to attend the above meeting. In particular, you relayed in the letter the request of the Subcommittee for the Chief Secretary for Administration to attend the meeting to respond to its Report on Phase I Study and brief Members on the way forward for the West Kowloon Cultural District (WKCD) project.

As undertaken by the Chief Secretary for Administration in his letter of 13 July to the Chairperson of the House Committee and reiterated in our letter of 27 August to you, the Chief Secretary for Administration will attend a special meeting of the House Committee to discuss with Members various issues regarding the development of WKCD. These include the outcome of the public consultation exercise completed in end June and matters related to the proposed "overseeing authority", on which the Subcommittee requested us to provide information vide your letter of 9 August. The Chief Secretary for Administration would be pleased to attend a special meeting of the House

Committee within the next few weeks to brief Members on these issues after further consultations with the Executive Council.

Hence, the Administration is not in a position to discuss the way forward of the WKCD project with the Subcommittee at this juncture. We and on behalf of the Chief Secretary for Administration would like to extend our apologies.

As regards the Administration's response to the Subcommittee's Report on Phase I Study, we have prepared a paper for the Subcommittee, as attached, and should be grateful if you would arrange for its distribution to Members.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Polly CHOY', written over a horizontal line.

(Ms Polly CHOY)
for Secretary for Housing, Planning and Lands

Subcommittee on West Kowloon Cultural District Development

The Administration's Response to the Report on Phase I Study of the Subcommittee

On 6 July 2005, the Legislative Council (LegCo) Subcommittee on West Kowloon Cultural District (WKCD) Development released its Report on Phase I Study. The areas of study in the Report include public private partnership (PPP), shortfall and long term needs in the development of arts and culture in Hong Kong, and land use and planning.

2. We appreciate the effort of the Subcommittee in studying the development of the WKCD. We are committed to co-operating fully with the Subcommittee. We have provided to the Subcommittee information and comments on the issues studied by it. We note that the Report has reflected some of the Government's comments. The Administration's response to the Report is set out in the ensuing paragraphs.

3. We welcome the Subcommittee's recognition of Hong Kong's capability to develop an integrated arts, cultural and entertainment district, and the overwhelming support from the community for the development of such a district.

4. On the mode of development, we note the concerns of the public and the Subcommittee on the single development approach. We also note the Subcommittee's recommendations that an overseeing authority for the development of the WKCD should be set up and that there should be consultation with the public on the mode of development and implementation strategy. The public consultation exercise ended on 30 June 2005. We are now considering the views of the Subcommittee and the public views received during the public consultation, and will give due regard to them in deciding the way forward.

5. In developing the WKCD project, we have adopted the PPP approach which allows us to bring in the private sector's financial resources, commercial knowledge and expertise. We intend to foster a partnership between the business sector and the arts and cultural sector in the promotion of the arts. It should be emphasized that the development process of the WKCD complies fully with the guiding principles set out in the "Introductory Guide to Public Private Partnerships" issued by the Efficiency Unit. The guide states that there is no need to construct a

public sector comparator when a project is financially free-standing, as is the case with the WKCD.

6. Regarding the Subcommittee's recommendation on the role of the Executive Council in the WKCD development, we would like to point out that we have made submissions to and sought approval from the Executive Council in the development of the WKCD. Before issuing the Invitation for Proposals and finalizing the mode of development, we made a submission to the Executive Council for discussion. Going forward, we will continue to do so at various stages, including seeking the Executive Council's prior approval for the execution of the provisional agreement and the project agreement.

7. We wish to reiterate that the development of the WKCD is in line with our established cultural policy, as outlined in the Culture and Heritage Commission Policy Recommendation Report. We will continue to adopt the principle of "partnership" and ensure the implementation of the WKCD project is "people-oriented" and "community-driven". In addition, based on previous studies and consultations, we believe the proposed arts and cultural facilities are the ones most wanted in Hong Kong.

8. We attach great importance to the views contained in the Subcommittee's Report and the public views received during the public consultation exercise in deciding on the way forward for the WKCD project. We shall be pleased to report progress of the WKCD project to the LegCo House Committee in the next few weeks after further consultations with the Executive Council.

Housing, Planning and Lands Bureau
9 September 2005