

For discussion
on 7 December 2004

Legislative Council Panel on Economic Services
Proposed Domestic Heliport Development

Introduction

In June 2003, we briefed the Panel on Economic Services on the findings of the Consultancy Study on Helicopter Traffic Demand and Heliport Development in Hong Kong (LC Paper No. CB(1)1959/02-03 (04)). One of the recommendations of the Consultancy is to develop a permanent surface-level heliport in the urban area for commercial domestic helicopter services. At that meeting, Members urged the Administration to expedite action to provide for such a facility. This paper briefs Members on our proposal to develop a permanent domestic heliport in Sheung Wan.

Background

Domestic Helicopter Services

2. Domestic helicopter services comprise mainly local sightseeing flights, business charters, and special-purpose flights for airlifting, aerial surveying and photography. Such services have recorded substantial growth in recent years. Between 2001 and 2003, the number of annual domestic flights increased by 126% from 4,790 movements to 10,831 movements. The growth was mainly driven by the demand for sightseeing flights and business charters, which took up about 80% of the total domestic helicopter movements in 2003. Although sightseeing is a relatively new tourism product, it has gained popularity among tourists and local residents. The prospect of domestic helicopter services is therefore promising, particularly when complemented by the completion of major tourism facilities in the coming years which will attract more tourists to Hong Kong and, hence, generate greater demand for sightseeing helicopter tours. There is also an

important potential market for speedy and convenient transportation for time-sensitive business travellers between the central business district (CBD) and other parts of Hong Kong e.g. the Hong Kong International Airport. According to the projection of the consultancy, the domestic helicopter services market is estimated to grow by an average of 6.3% per year between now and 2020.

Need for a Permanent Domestic Heliport

3. Since the closure of the Central Heliport in Admiralty in 2003, there is no permanent heliport for commercial services in the urban area. Helicopter operators currently operate from a temporary facility at the West Kowloon Reclamation, which will eventually have to be closed down to make way for the development of the West Kowloon Cultural District. For the future development of commercial helicopter services, there is an urgent need to put in place a permanent domestic heliport.

4. Since 1998, we have conducted repeated rounds of site searches to identify a suitable site for a domestic heliport which has to meet a number of stringent requirements. First, it must be centrally located, easily accessible, as well as in close proximity to the CBD, major hotels and conference facilities. The central location is to provide easy access to tourists and businessmen and support efficient and seamless air connection between CBD, the Hong Kong International Airport and other parts of Hong Kong. Secondly, the site must be located at the waterfront with unobstructed flight path. This is necessary to fulfill the safety requirements imposed by the International Civil Aviation Organisation on single-engine helicopters – the helicopter type most commonly used for domestic services. Thirdly, the site must fulfill all the necessary environmental requirements such that its uses would not conflict with neighbouring land uses.

The Proposed Domestic Heliport

The Site in Sheung Wan

5. After a comprehensive site-search exercise conducted on both sides of the Harbour, only one site in Sheung Wan fulfils all our requirements. The proposed site lies along the waterfront in front of the Western Park Sports

Annex

Centre (WPSC). A plan showing the location and the layout of the site is at Annex.

6. The site measures 7,400m². Our proposed heliport will take up initially 4,400 m², leaving the rest of the area for future expansion. The heliport will have two landing/take-off pads and two parking pads, with the necessary supporting facilities such as a passenger lounge, flight operations room, back-office, underground re-fuelling facilities and car-parks. The layout of heliport is designed to take advantage of the WPSC as a natural noise barrier, thus minimizing the adverse noise impact on neighbouring land uses. We have commissioned a consultancy study on the project which has confirmed the technical feasibility of the site and that it would fulfill all the necessary environmental, structural and traffic requirements.

7. When completed, the heliport will be able to handle up to 43,000 movements per year, or on average 118 daily movements. The capacity is roughly four times that of the existing domestic operation and will be able to meet our demand beyond 2020.

Proposed Development Mode

8. Given the commercial nature of the helicopter business and the Government's objective to encourage private sector participation in public projects, we consider that the domestic heliport project should best be funded and developed by the private sector. We therefore intend to adopt the same tendering arrangement as that for the expansion of the cross-boundary heliport located at the Macau Ferry Terminal (also endorsed by this Panel on 15 January 2004).

9. In summary, the heliport will be developed and operated by the private sector under a tenancy agreement to be awarded through an open tender. The tenant will develop the heliport at its own cost and operate the heliport for the common use of all helicopter operators on a fair and equal basis for a fixed period. The tenant will be permitted to collect charges from helicopter operators on a non-discriminatory basis. Charges permissible and guidelines for establishing and adjusting the charges will be set out in the tender documents. Detailed financial assessment will be conducted to finalise the terms of the tender.

Public Consultation

10. We will consult the Central & Western District Council and the Harbour Enhancement Committee at their coming meetings in January 2005.

Statutory Processes

11. Subject to the outcome of the public consultation exercise, we will conduct an Environmental Impact Assessment to ensure that the proposed development would meet all relevant statutory environmental requirements. In addition, we will submit an application to the Town Planning Board to rezone the site from “Government, Institution or Community” and “Open Space” to “Other Specified Uses (Heliport)”.

Development Programme

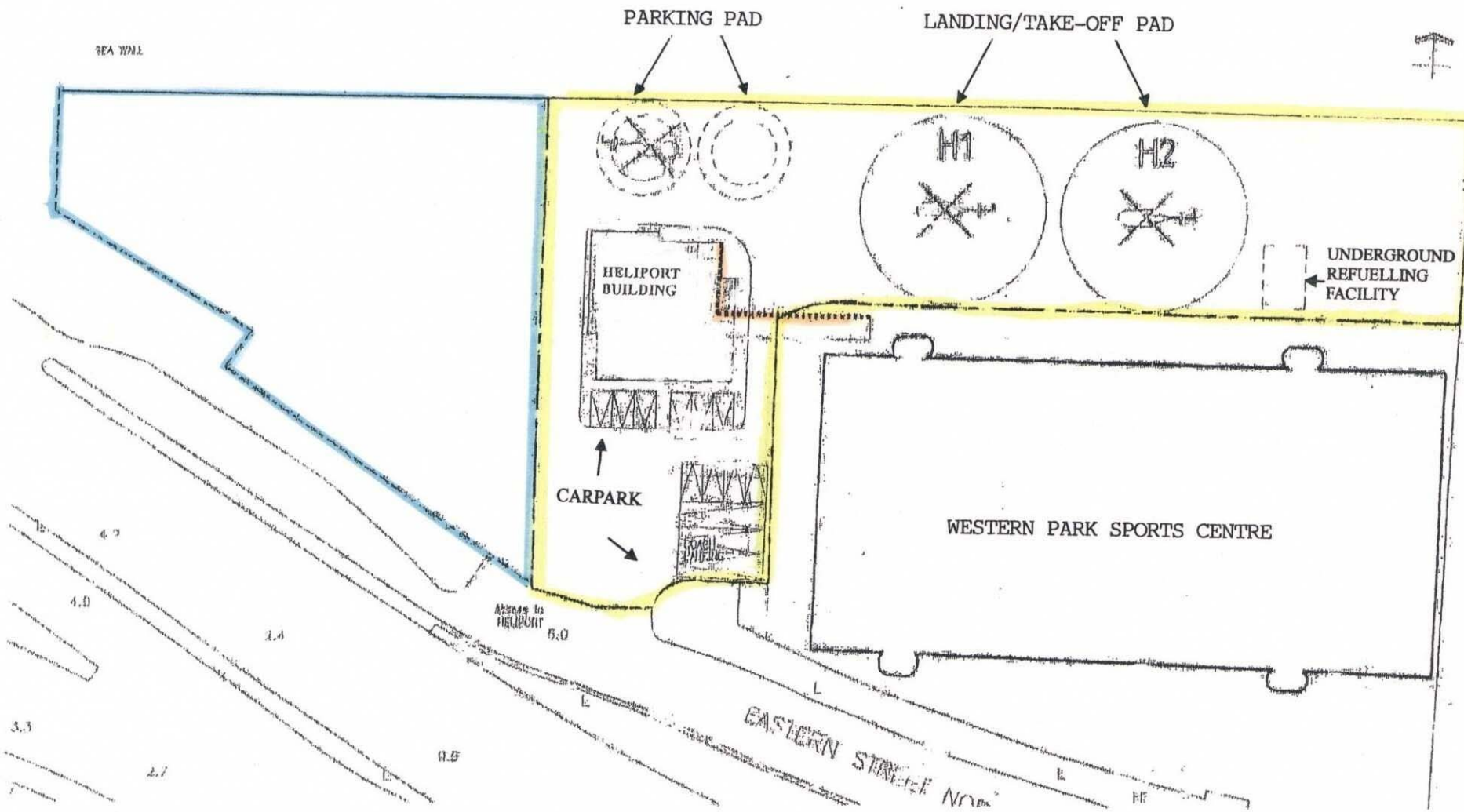
12. Taking into account the time required for public consultation, statutory environmental impact assessment, rezoning, tendering and construction, it is expected that the permanent domestic heliport would be put into operation in early 2008. We will continue to explore whether this timetable could be further compressed to enable early completion of the permanent heliport.

Views Sought

13. Members are invited to comment on the proposal.

Economic Development and Labour Bureau
30 November 2004

Layout Plan of Proposed Domestic Heliport in Sheung Wan



Site area of 7,400m²

Heliport of 4,400m²

Noise barrier

Reserved area of 3,000m² for future expansion