

立法會
Legislative Council

LC Paper No. CB(1)803/04-05
(These minutes have been seen
by the Administration)

Ref : CB1/PL/PLW/1

Panel on Planning, Lands and Works

**Minutes of special meeting
held on Tuesday, 30 November 2004, at 4:30 pm
in the Chamber of the Legislative Council Building**

- Members present** : Hon LAU Wong-fat, GBS, JP (Chairman)
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Hon James TO Kun-sun
Hon WONG Yung-kan, JP
Hon Abraham SHEK Lai-him, JP
Hon Albert CHAN Wai-yip
Hon LEE Wing-tat
Hon LI Kwok-ying, MH
Hon Daniel LAM Wai-keung, BBS, JP
Hon Alan LEONG Kah-kit, SC
Hon CHEUNG Hok-ming, SBS, JP
- Members attending** : Hon James TIEN Pei-chun, GBS, JP
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon CHAN Yuen-han, JP
Hon CHAN Kam-lam, JP
Hon Emily LAU Wai-hing, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon WONG Kwok-hing, MH
Hon LEUNG Kwok-hung
Dr Hon KWOK Ka-ki
Hon Ronny TONG Ka-wah, SC
Hon KWONG Chi-kin
- Members absent** : Hon Patrick LAU Sau-shing, SBS, JP (Deputy Chairman)
Hon CHOY So-yuk
Hon Timothy FOK Tsun-ting, GBS, JP

- Public officers attending** : The Hon TSANG Yam-kuen, Donald, GBM, JP
Chief Secretary for Administration
- Mr SUEN Ming-yeung, Michael, GBS, JP
Secretary for Housing, Planning and Lands
- Mr HO Chi-ping, Patrick, JP
Secretary for Home Affairs
- Mrs LAU NG Wai-lan, Rita, JP
Permanent Secretary for Housing, Planning and Lands
(Planning and Lands)
- Ms LEE Lai-kuen, Shelley, JP
Permanent Secretary for Home Affairs
- Ms WONG Sean-yee, Anissa, JP
Director of Leisure and Cultural Services
- Miss AU King-chi, JP
Deputy Secretary for Housing, Planning and Lands
(Planning and Lands) 3
- Mr KWAN Pak-lam, JP
Project Manager (Kowloon)
Civil Engineering and Development Department
- Clerk in attendance** : Miss Odelia LEUNG
Chief Council Secretary (1)4
- Staff in attendance** : Ms Bernice WONG
Assistant Legal Adviser 1
- Mr Watson CHAN
Head (Research and Library Services)
- Ms Vicky LEE
Research Officer 3
- Ms Sarah YUEN
Senior Council Secretary (1)6
- Ms Christina SHIU
Legislative Assistant
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I Development of West Kowloon Cultural District

- (LC Paper No. CB(1)318/04-05(01) -- Information paper provided by the Administration
- LC Paper No. CB(1)318/04-05(03) -- Questions raised by Hon LEE Wing-tat concerning “Development of West Kowloon Cultural District”
- LC Paper No. CB(1)318/04-05(05) -- Letter dated 18 November 2004 from a member of the public
- LC Paper No. CB(1)318/04-05(02) -- Background brief on West Kowloon Cultural District prepared by the Legislative Council Secretariat
- LC Paper No. IN06/04-05 - Information note on “Public Private Partnership Cases involving Land Development in the United Kingdom and the United States” prepared by Research & Library Services Division
- LC Paper No. CB(1)100/04-05(01) -- Progress Report on the Development of the West Kowloon Cultural District provided by the Administration
- LC Paper No. CB(1)210/04-05(01) -- Addendum No. 4 to the Invitation for Proposals document for the Development of the West Kowloon Cultural District and Addenda Record Sheet issued on 29 October 2004)

Members noted that an additional special meeting had been scheduled for Thursday, 16 December 2004, to receive deputations concerning West Kowloon Cultural District (WKCD). They also noted the following papers tabled at the meeting –

- (a) Position paper of the Democratic Party (DP) on the development of WKCD; and
- (b) The Administration’s response to questions raised by Mr LEE Wing-tat.

(Post-meeting note: The above papers were circulated to members vide LC Paper No. CB(1)381/04-05 on 1 December 2004.)

2. The Chief Secretary for Administration (CS) made an opening statement on the WKCD project, as appended.

(Post-meeting note: The opening statement was circulated to members vide LC Paper No. CB(1)502/04-05(01) on 14 December 2004)

The single package approach

3. Referring to CS's claim in the opening statement that the single-package approach was supported by LegCo, Mr LEE Wing-tat drew members' attention to the minutes of the meeting of the Panel on 4 July 2003 and the motion passed by the Council on 26 November 2003. He pointed out that there was no mention of the support of the LegCo for the single-package approach on both occasions. In response, CS explained that the Administration's paper for the meeting of the Panel on 4 July 2003 had already stated that the project would be planned and executed as an "integrated development", and that the Administration would negotiate with proponents to select a successful one. The intention of adopting a single-package approach for the project was therefore clear. He further explained that it was inevitable that views were diverse on a project of such unprecedented scale and nature. Despite concerns expressed about the project details at the Panel meeting and during the motion debate, the overall impression of the Administration was that members in general supported the project and the approach.

4. Mr LEE Wing-tat was unconvinced. In his view, as evidenced by the Airport Core Programme which was an integrated development delivered under a multi-package arrangement, the term "integrated development" did not necessarily mean "single-package arrangement". The motion passed by the Council also did not contain the expression "single-package approach". He could hardly accept the claim that the single-package approach had LegCo's blessing.

5. In response, CS maintained that paragraphs 12 and 14 of the Administration's paper for the meeting on 4 July 2003 had already explained that a single-package approach would be adopted for the WKCD project. Moreover, the amendment to the motion moved by Mr Albert HO Chun-yan urging the Administration to shelve the project in consideration of its single-package arrangement was negated. This was evidence that LegCo supported the project.

6. Mr LEE Wing-tat pointed out that the many problems highlighted in CS's opening statement to justify the single-package approach could be solved through the making of a master layout plan without compromising the integrated design and operation of WKCD, according to many professional bodies. Ir Dr Raymond HO Chung-tai shared his view and quoted the example of the development of new towns. Dr HO pointed out that the single-package arrangement might not necessarily reduce the possibility of claims. There was also no consensus among the engineering professionals on whether the single-package approach should be supported.

7. In response, CS stressed that the possible problems of dividing WKCD into small packages were identified through careful study and recognized by many experienced professionals. Despite claims by some professional bodies that the problems could be resolved, no specific proposals were put forward. The professional bodies might have under-estimated the amount of additional resources required from the Government and the difficulties that would arise from the need to prepare a number of complicated but interlocking land grant documents if the multi-package approach were adopted. CS stressed that the project required centralized planning and co-ordination in order to enhance management effectiveness and to reduce lead-time. If the single-package approach was not adopted, there would be great difficulty in developing the 40-hectare site in WKCD into a new cultural and architectural icon for Hong Kong in an integrated manner.

8. Mr James TIEN Pei-chun pointed out that the Liberal Party had all along objected the approach as it restricted participation. He opined that with the picking up of the property market, the Administration should build the cultural facilities and the canopy on its own and auction off the surrounding land because more revenues could be raised in this manner. The revenues might even help to restore budget balance for the Government. Mr Abraham SHEK Lai-him also highlighted similar proposal by the Real Estate Developers Association of Hong Kong.

9. In response, CS clarified that according to the previous draft Outline Zoning Plan, only about 20% of the WKCD site would be used for residential and commercial use. It might be far-fetched to highlight the financial returns the Government could secure from auctioning off all the land concerned. The planning procedures so involved would further mean that the Government could only benefit from such returns many years later. It was also doubtful whether such one-off income would suffice to overcome the budgetary deficits which were recurrent in nature.

10. In this regard, Mr James TIEN enquired about the difference in returns for the Government between adopting the single-package arrangement and auctioning off all the land concerned. In reply, CS said that since there was no plan to pursue the latter approach, such estimates had not been made.

11. Many members urged the Administration to address concerns raised by the community about the single-package approach. They expressed the following views:

- (a) Like the Cyberport which was now clearly a property project, the WKCD project was a property development project under the guise of a cultural project. The single-package arrangement would benefit giant developers;
- (b) In consideration of the Government's present stringent fiscal condition, which had led to cuts in services to the public, it was

inconceivable that the Government should have readily forsaken the large amount of income which could be generated from sale of the 40 hectares of land in the WKCD site; and

- (c) Despite the economy of scale made possible by adopting the single-package approach, there was a need to avoid creating a monopoly by a single developer of the land resources in West Kowloon, otherwise he would be in a position to determine property prices, the supply of luxury flats and the operation of arts and cultural facilities for the next decade.

12. In response, CS made the following points –

- (a) Unlike the Cyberport, the WKCD project would be awarded through a competitive process. The public would have the opportunity to examine and express views on the three screened-in proposals for the project. They would be able to ascertain whether the project was a property development project after examining the three proposals in the exhibition;
- (b) The WKCD project was a cultural project. The commercial and residential development included therein was to support the cultural facilities, and to create and sustain the flow of people required to make the WKCD a cultural centre. In this regard, measures would be taken to prevent the successful proponent from making massive profits from the project;
- (c) According to an internal assessment in 2002-03, Government would have to fork out \$11.8 billion if it were to develop the WKCD project itself. Given such substantial capital investment and Government's huge budget deficits, Government had found it very difficult to fund the construction of the arts and cultural facilities. The single-package approach was therefore the only viable mode of financial arrangement. Since the approach was the basis of the Invitation For Proposals (IFP) for the project, if it were dispensed with at this stage, the IFP would need to be started all over again;
- (d) Only seven of the 40 hectares of land in WKCD had been earmarked for residential and commercial development, whereas the government planned to release 300 hectares of land over the next five years. At present there was also 99 hectares of land available on the Application List. There was no question that the successful proponent would enjoy a monopoly of land resources;
- (e) Development parameters in the preferred proposal, including plot ratio, gross floor area for different land uses, building height restrictions and open spaces, had to be agreed by the Town Planning

Board (TPB) before the Government and the successful proponent entered into a provisional agreement. The Government would then formally submit the proposed development parameters to the TPB for processing according to the statutory procedures. The successful proponent was therefore subject to planning controls in developing WKCD; and

- (f) The Administration would endeavour to explain the objectives and details of the project to the public. Public consultation including exhibitions displaying the screened-in proposals, discussion forums and separate briefing sessions for the LegCo and relevant statutory and advisory bodies would be conducted from 16 December 2004.

13. In reply to Mr Abraham SHEK on whether the WKCD project could be split into the real estate portion and the cultural portion, CS pointed out that in that case the project would have to start from scratch because it involved fundamental changes to the IFP.

14. Mr Ronny TONG Ka-wah opined that the justifications put forth by the CS for adopting the single-package approach were not reasons but possible consequences of adopting a multi-package approach. He asked whether the Administration had conducted a detailed comparison between the single package approach and the approach of dividing the WKCD project into small packages. CS replied in the affirmative and agreed to consider providing the relevant information. He also explained that the justifications were considerations taken into account by the Administration in deciding to adopt the single-package approach.

The plot ratio

15. Pointing out that the plot ratio proposed in the three screened-in proposals exceeded the Administration's proposed plot ratio of 1.81, Mr CHEUNG Hok-ming enquired how the 1.81 was worked out. In reply, CS explained that it was the plot ratio adopted in the Concept Competition for the WKCD project, which had not taken into consideration commercial returns and effectiveness. According to an in-house study undertaken by the Administration in 2003, the difference between the capital investment required for the project and the proceeds from auctioning off the land concerned would be over \$11.8 billion if the plot ratio of 1.81 was adopted. In this regard, the Secretary for Housing, Planning and Lands (SHPL) supplemented that the initial outline zoning plan of the WKCD site originally provided for a regional park amounting to 20 hectares, as well as commercial and residential development plus other open spaces and government, institution and community uses. The 1.81 plot ratio was based on the scale of the original provision of commercial and residential development in addition to the arts and cultural facilities that would be provided. When it was later decided that arts and cultural facilities would be provided and operated in the area with funding from the commercial and residential development, a more flexible approach in the

plot ratio was considered appropriate to enable the funding gap of \$11.8 billion referred to by the CS to be bridged. As such, 1.81 was intended as a base reference for proponents in drawing up their proposals. They might submit proposals exceeding 1.81 but any such proposal had to be substantiated with sufficient and reasonable justifications.

16. Mr James TO kun-sun enquired whether a development density higher than 1.81 would be turned down if the public opposed to it. In reply, CS emphasized the Administration's readiness to take into consideration all views when deciding whether a higher development density should be accepted and to explain its decision to the public. He believed the public would consider any proposal for a higher density reasonably and sensibly.

The canopy

17. Ir Dr Raymond HO Chung-tai pointed out that there was no consensus among the engineering professionals on whether the canopy should be supported. He enquired about the possibility of dispensing with the canopy if there was a consensus in the community that the canopy was too costly to build and/or maintain. Miss CHAN Yuen-han also highlighted public concern about the canopy. In response, CS pointed out that if the canopy was to be dispensed with, it was necessary to start the WKCD project all over again because the canopy was one of the mandatory requirements in the IFP.

18. Ir Dr Raymond HO was unconvinced. He cautioned that the canopy might pose maintenance problems, and said that he was not aware from previous papers on the WKCD project that the canopy was a mandatory requirement. He also pointed out that the WKCD site had been left idle for over ten years. The need to re-conduct the IFP should not be a great concern. In response, CS recalled that at the meeting in July 2003 the Panel urged the Administration to expedite the project. He also recalled that the maintenance problems of the canopy had already been thoroughly discussed during the motion debate. In this regard, Ir Dr HO said that the Panel's stance could change if the project details were different. In response, CS confirmed that the details were the same apart from the adoption of two new measures to enhance transparency and accountability, namely, the requirement for public consultations with a view to soliciting public opinions on the proposals and deletion of the draft outline zoning plan from the IFP so as to subject the project to TPB approval.

The financial arrangements

19. Mr CHEUNG Hok-ming urged the Administration to enhance the transparency of the financial arrangements for the WKCD project to address public concern. In response, CS explained that in deciding whether to disclose the financial arrangements, the following five factors had to be considered –

- (a) The financial information submitted by the proponents was commercially sensitive and could not be unilaterally disclosed without their consent;
- (b) The Administration had yet to negotiate with the proponents to obtain the best offers. If the financial information was disclosed and the proponents knew what their competitors had offered, the competitive tension required to secure the best deal would be undermined. The proponents, especially the one who knew that its offer was higher than others, might be reluctant to enhance their proposals. This would significantly weaken Government's bargaining power in the negotiations;
- (c) If the financial information was disclosed at this stage, proponents knowing the price offers of other proponents might revise downwards their offers in the ensuing negotiations with Government or collude in doing so. It would not be in the public interest for this to happen;
- (d) The proponents might only agree to disclose selected financial information which would be to their advantage and withhold information to their disadvantage. Selective disclosure would be misleading since the public would not be presented with a full picture of the financial proposals; and
- (e) Such selected financial information might be distorted by the underlying assumptions, such as cost and revenue estimates, which were still being assessed by Government and would likely be a matter relevant to future negotiations. Disclosure of the financial information without the full knowledge of the underlying assumptions would not help the public understand the proposals.

CS stressed that it would be irresponsible to disclose the financial information before negotiation was concluded. Government would account for the information satisfactorily to the public, as soon as it was safe to do so.

20. Mr James TO found the above explanations unconvincing. In his view, the Administration should have made it a condition in the IFP that the financial arrangements would be disclosed to the public. The officials concerned should be held accountable for failing to do so. To address concern that the Administration might enter into secretive deals with the proponents, the IFP with inclusion of such a condition should be re-launched. In response, CS pointed out that it was a common practice supported and relied upon by bidders and tenderers that funding, costs and price negotiations were usually kept confidential. He also drew members' attention to the requirement for public consultations mentioned in paragraph 18 above. He said that the requirement was unprecedented and had only been added in March 2004 in response to strong public requests as gathered from

prior public consultation on the WKCD. The Administration had already made a significant step forward in enhancing the transparency of the project.

21. Mr Albert CHAN Wai-yip cautioned that the WKCD project might develop into a serious scandal if not properly monitored. In his view, if income was to be generated from property development to fund the development and management of the arts and cultural facilities to be provided in WKCD, it would be important to know the relevant financial arrangements, in particular whether the funding would be one-off or recurrent in nature, in order to determine whether they were to the benefits of the developers only.

22. In response, CS reiterated that to assure members and the public that fair financial arrangements would be made taking into account the then prevailing circumstances, details of the arrangements would be disclosed in full after the successful proponent had been selected but before the project agreement was signed. Mr Albert CHAN however considered that the disclosure was too late by then to serve any purpose.

The cultural policy

23. Miss Emily LAU opined that a comprehensive arts and cultural policy should be formulated before taking the WKCD project forward. In response to her on whether there was consensus as regards the cultural policy and the arts and cultural facilities to be provided in WKCD, CS emphasized that consultation on the project had been conducted since 1999 with the aim to achieve consensus. Although a consensus was hard to come by given the nature of the arts and cultural sector, the sector had already been thoroughly consulted before the details of the arts and cultural facilities were worked out. Moreover, the project enjoyed the support of the Culture and Heritage Commission (the Commission) and the Hong Kong Arts Development Council, and could act as a catalyst to promote the development of arts and culture in Hong Kong. He stressed that the views of the arts and cultural sector would be taken into account during the proposal selection process, in implementation of the project and, in particular, in the management of the arts and cultural facilities.

24. The Secretary for Home Affairs (SHA) supplemented that after three years' hard work and two large-scale consultation exercises with the arts and cultural sector, the Commission had submitted its Policy Recommendations Report to the Government in 2003, and the Government had formally responded to the Report in February 2004, accepting most of the recommendations therein. The remaining recommendations related to institutional framework and resource deployment might require further study and exploration. The Commission had advocated certain principles in formulating the development and operation plan for WKCD, namely, the 'people-oriented', 'partnership' and 'community-driven' principles to ensure the plan would be open, fair and proper. In particular, the Government was urged to facilitate the formation of a partnership between developers and the cultural sector so as to allow the latter to participate in the

planning and future operation of the facilities in the district. The project, if implemented, would help promote arts and cultural development of Hong Kong.

25. Dr KWOK Ka-ki however opined that the development of arts and culture in Hong Kong should be independent of the WKCD project. Miss Emily LAU also pointed out that certain members of the Commission did not support the project. In response, CS opined that it was no surprise that individual members of the Commission might not support the project. In this regard, SHA confirmed that when the project was discussed in 2003, all members of the Commission supported the idea of launching the WKCD project. Even today, despite various comments on details of the project, the arts and cultural sector as a whole supported the project and the provision of arts and cultural facilities in WKCD, and hoped arts and cultural development could be further advanced.

Management and monitoring of the project

26. Mr WONG Kwok-hing called for the introduction of an open monitoring mechanism to oversee WKCD's selection process, development process and the operation of the core arts and cultural facilities. In this regard, he opined that a statutory body like the Airport Authority should be established. In response, CS agreed with Mr WONG on the need for proper monitoring of the project, and said that the specific details would be proposed by the successful proponent for endorsement by the Government. Apart from the option of setting up a statutory body, there were other feasible alternatives such as the establishment of trust funds. The mechanism for monitoring the operation of museums and performance venues might also differ but the basic requirement was that the arts and cultural sector, relevant experts, the Government and the public should be involved.

27. Mr Alan LEONG Kah-kit expressed concern about the difficulties in effectively monitoring the WKCD project by agreement/contract as the project would span over 30 years during which circumstances might greatly change. In particular, commercial entities were good at capitalizing on legal loopholes to maximize their profits. He urged the Administration to pay special attention to the need to plug all possible loopholes. CS thanked Mr LEONG for his valuable advice.

Public consultation exercise

28. Ms Emily LAU Wai-hing and Miss CHAN Yuen-han enquired whether other alternatives would be considered if the public found all three screened-in proposals unacceptable. In response, CS stated his belief that the public would be able to give a clear indication of their preference. For this purpose, a questionnaire would be prepared to effectively solicit views during the public consultation exercise, so that the best option for taking forward the WKCD project could be identified for negotiation with the proponents. He however stressed the need to assess public views in perspective with emphasis on the quality rather than the quantity. Ms LAU considered the above response undesirable. Miss CHAN also

opined that in view of the grave public concern about the project, the Administration should include in the questionnaire choices of other options and take forward the WKCD project according to the feedback, including the adoption of a multi-package approach if it was so preferred by the public.

29. Mr Abraham SHEK opined that to ensure effectiveness of public consultation, the Administration should give more thinking to its mode and disclose all necessary information. In this regard, Mr LEUNG Kwok-hung urged the Administration to conduct a referendum on whether to shelve the project, whether to adopt the single-package approach and whether to construct the canopy and so many museums. In response, CS said that as many details as possible would be provided in the public consultation exercise to facilitate the public to express views on the project. As to the proposal to conduct a referendum, he confirmed that there was no such plan. The planned public consultation exercise should be able to gauge public views effectively.

30. Mr Ronny TONG asked whether the questionnaire would include a question soliciting the public's views on whether they supported the single-package approach. In response, CS said that should such a question be included in the questionnaire, the Administration would need to ensure that the implications of dropping the single-package approach had been properly explained to the public. He also pointed out that given the extensive discussion on the WKCD project in the community, the public should know that if they supported any one of the three screened-in proposals, this would mean they also supported the adoption of the single-package approach. There was therefore no need to include the question in the questionnaire.

31. Mr Albert CHAN asked whether the WKCD project would be shelved in response to public calls to halt it. Dr KWOK Ka-ki also urged the Administration to solicit public views on whether they supported the single-package approach and the canopy if they knew the financial implications, and to provide in the questionnaire the option of shelving the project. Mr LEUNG Kwok-hung shared their views and called upon the Administration to refrain from proceeding with the WKCD project to ensure the entire community would be consulted on how it should be taken forward.

32. In response, CS explained that the public could propose shelving the project in the questionnaire under the column "other views". He considered backtracking on the project in the face of difficulties irresponsible, and pointed out that at the Panel meeting in July 2003, the Panel had urged the Administration to expedite the project. The public consultation would provide an opportunity for the community to gain better understanding of and give views on the project.

33. Mr Alan LEONG urged the Administration not to make a decision on the WKCD project until completion of the public consultation. The decision should, where appropriate, include the possibility of dropping the single-package arrangement. This was because a project of such a large scale could not proceed

smoothly without sufficient public support. Since there was grave public concern about the single-package arrangement, as a responsible government, the Administration should take action to address the concern despite the progress made in respect of the project.

34. In response, CS reiterated that the Administration was willing to listen to views of Members and the public, and urged Members to go to the exhibition on WKCD and to continue to give views on the project. He considered that the public should be given the opportunity to express views on the project before the Administration decided on the way forward

Motions

35. Members then discussed the three motions proposed by Mr LEE Wing-tat.

Motion 1

36. Mr LEE Wing-tat moved motion 1 as follows:

“本委員會要求政府全面檢討西九龍文娛藝術區發展計劃以單一項目發展模式進行是否適宜。”

“That this Panel requests the Government to comprehensively review the appropriateness of adopting the single package approach in the delivery of the West Kowloon Cultural District Project.”

37. At the Chairman's invitation, Mr LEE Wing-tat briefed members on his proposed motion 1. He explained that the wording of motion 1 was come up after discussion with other members. The wording was phrased in such a way that whether the single-package approach should be adopted would be decided after public consultation. Mr CHEUNG Hok-ming stated that Members of the Democratic Alliance for Betterment of Hong Kong (DAB) supported the present wording of motion 1. In response to him on the meaning of “comprehensively review” in the motion, Mr LEE clarified that the motion urged the Administration to consider the views expressed by the public during the planned public consultation exercise.

38. Mr James TO referred to the motion passed by the Panel at the meeting on 27 April 2004, namely, “That this Panel opposes the land and financial arrangements proposed by the Administration for the West Kowloon Cultural District”, and expressed concern that if the Panel passed motion 1, it might be interpreted as the Panel softening its stance on the WKCD project. He also expressed regret that the Administration had not heeded to the motion passed by the Panel in April 2004. Mr Albert CHAN said that since the public and Panel members expressed grave concern about the single-package arrangement, the Administration should be urged to drop the approach instead of reviewing its appropriateness. He proposed to amend motion 1 as follows:

“本委員會要求政府擱置西九龍單一招標的審議，及全面檢討西九龍文娛藝術區發展計劃以單一項目發展模式進行是否適宜。”

“That this Panel requests the Government to stop vetting proposals invited under the single-package arrangement for development of the West Kowloon Cultural District Project, and comprehensively review the appropriateness of adopting the single package approach in the delivery of the West Kowloon Cultural District Project.”

39. Mr LEE Wing-tat said that if motion 1 as amended by Mr CHAN was negated, the Administration might take it to mean that the Panel supported the single-package arrangement. Mr CHEUNG Hok-ming said that pending completion of the public consultation, which might be extended to six months if Mr LEE’s motion 2 was passed, Members of DAB had reservation about opposing to the single-package arrangement. This was because the outcome of the public consultation should be given due consideration. Mr Daniel LAM Wai-keung echoed Mr CHEUNG’s view on Mr Albert CHAN’s proposed amendment. Mr Alan LEONG indicated support for the present wording of motion 1, and said that any decision to oppose the single-package arrangement should be made after the public consultation.

40. Mr Albert CHAN maintained that to facilitate conduct of the comprehensive review proposed in motion 1, the Administration should be requested to stop vetting proposals under the single-package arrangement.

41. Mr Abraham SHEK reminded Mr Albert CHAN that he had voted for the motion at the Council meeting in November 2003. In other words, he supported the WKCD project. In response, Mr Albert CHAN pointed out that he had been misled by the Administration and as a remedy, he therefore proposed to amend motion 1. He urged members to support his proposed amendment.

42. CS drew members’ attention to the reasons for the single-package approach in paragraph 12 above, and the implications of dropping it.

43. Mr Albert CHAN's proposed amendment to motion 1 was seconded by Mr James TO. The Chairman put Mr CHAN's amendment to vote. Three members voted for the amendment. Six members voted against it. The Chairman declared that the amendment was negatived.

44. Motion 1 as proposed by Mr LEE Wing-tat was seconded by Messrs James TO and WONG Yung-kan. The Chairman put motion 1 to vote. Eight members voted for motion 1. One member abstained. The Chairman declared that motion 1 was carried.

Motion 2

45. Mr LEE Wing-tat then moved motion 2 as follows:

本委員會促請政府將西九龍文娛藝術區建議書的諮詢期，由三個月延長至六個月，並重新諮詢公眾對西九龍文娛藝術區發展計劃的意見。

“That this Panel urges the Government to extend the consultation period for the proposals for the development of the West Kowloon Cultural District from three months to six months, and to re-consult the public on the West Kowloon Cultural District Project.”

46. Introducing motion 2, Mr LEE Wing-tat stressed the need to extend the public consultation period on the WKCD project from three to six months for the community to express views. In response, CS explained that public consultation on the project had started as early as 1996 and was still under way. The exhibitions on the screened-in proposals would last three months but the public consultation process would continue. If the exhibition period was to be extended, approval from all the screened-in proponents and the availability of exhibition venues would need to be secured. Mr LEE clarified that motion 2 only sought to urge the Administration to extend the public consultation period.

47. In response to Mr Alan LEONG, CS clarified that the Administration intended to obtain public views during the exhibitions and then make a decision on the project. The Administration did not envisage that there would be problems if the public consultation period was to be extended to six months.

48. Motion 2 was seconded by Ir Dr Raymond HO and Messrs James TO and WONG Yung-kan. The Chairman put motion 2 to vote. Seven members voted for motion 2. The Chairman declared that motion 2 was carried.

Motion 3

49. Mr LEE Wing-tat then moved motion 3 as follows:

“就西九龍文娛藝術區發展計劃事宜，本委員會促請政府公開已通過甄選的三份建議書的財務安排資料，以讓公眾掌握具體資料評論該等建議書。”

“That, with regard to the West Kowloon Cultural District Project, this Panel urges the Government to make open the information on the financial arrangements of the three screened-in proposals, so that the public can comment on such proposals on the basis of concrete information.”

50. When introducing motion 3, Mr LEE Wing-tat opined that in consideration of the financial implications of the project and public expectation for greater transparency, the Government should disclose the information on the financial arrangements of the three screened-in proposals, so that the public could comment on such proposals on the basis of concrete information. One of the Administration’s reasons for refusing to disclose the information was that the proponents might collude against the Government. This reason could not stand because, according to Adam Smith, the author of “An Inquiry into the Nature and Causes of the Wealth of Nations”, it was natural for businessmen to collude. Only open competition could effectively deter such natural behaviours.

51. Mr Abraham SHEK urged Mr LEE Wing-tat to withdraw motion 3 in consideration of the need to observe contractual obligations and to have trust in the Government. He said that members of The Alliance would not support motion 3. He also called upon members of DAB to vote against motion 3. In response, Mr LEE Wing-tat pointed out that the IFP was different from a tendering exercise and as such there was no contractual obligation to keep the financial arrangements confidential. In this regard, CS recapitulated the points mentioned in paragraph 19 above.

52. Mr James TO was unconvinced. He opined that to protect public interests, the Administration should persuade the proponents to agree to disclosure of the information on the financial arrangements. Should they refuse, the project might be shelved. He also reiterated his point that the requirement to disclose the information on the financial arrangements should in the first place be included in the IFP document. Mr Abraham SHEK however urged the Administration to stand firm in order not to undermine the authority of the executive-led Government. In his view, disclosure of the information might not necessarily help safeguard public interests.

53. Motion 3 was seconded by Mr James TO. The Chairman put the motion to vote. Four members voted for the motion. Two members voted against it and two members abstained. The Chairman declared that the motion was negatived.

(Post-meeting note: In accordance with Rule 77(13) of the Rules of Procedure, motion 3 should be taken as having been decided by the Panel in the affirmative. A press statement on the motions was issued by the

Secretariat after the meeting. A letter formally advising the Administration of the passing of the above three motions and the press statement was issued on 1 December 2004. The wording of the three motions and the press statement were also circulated to members vide LC Paper No. CB(1)381/04-05 on 1 December 2004.)

II Any other business

54. There being no other business, the meeting ended at 7:20 pm

Council Business Division 1
Legislative Council Secretariat
28 January 2005

立法會規劃地政及工程事務

委員會特別會議

2004年11月30日，下午4時30分

政務司司長開場發言

主席：

容許我代表我的同事先講幾句說話，推行西九龍文娛藝術區發展計劃以來，我們諮詢過不同階層：立法會、文化界人士、專業團體及其他相關組織。諮詢期由一九九九年開始至今，我相信到現時，社會上尚未得到共識的，圍繞着三個主要問題：

- 第一，我們知道有些意見反對計劃採取單一發展模式；第二，亦有意見認為如果政府接受高於 1.81 的地積比率，會使成功中選者可以從中謀取暴利；第三，還有一些人士對區內文娛藝術設施的管理模式、文化界和公眾的參與等問題表示關注。
- 我們很理解對這些問題的疑慮。我希望先簡單談一談這幾個問題。首先，考慮到整個文娛藝術區綜合性發展，我們經

詳細考慮後，認為單一發展是一個可取的辦法。

- 單一發展當然有它的風險，但支持這做法的理由可以歸納為以下十個因素：

1. 西九龍文娛藝術區是一個綜合性的文娛藝術發展項目，需要統一策劃及協調，以增加管理效益及節省發展時間。
2. 假若把該項目分拆招標，政府便須就商業效益、市場取向這些政府沒有專業認識的主要問題，作出沒把握的假設，更危險的是要根據這些假設擬訂總綱發展藍圖。
3. 製作和擬訂總綱發展藍圖的程序需要數年，根據批准後的藍圖供應土地作商業和住宅發展亦要經過完全由市場控制的勾地紀律，得來新的公共收入，作為投放於新的文化設施的資金將取決於當時的地產情況，這些最少是三四年後的事。這將令整個計劃產生不明朗因素，最終好可能這個計劃未必可以成事。

有一些講法認為可以將西九龍賣地的進帳作為平衡政府明年或短期內的財政赤字，這更是天荒夜談。

4. 政府屬意需要合併發展的文藝設施將被逼分散和分拆到不同地段發展，設計因而無法緊扣相連，難以互相配合。
5. 所有基礎設施，地下污水處理、內部的交通、包括天篷，穿梭列車系統的設計、建造，以至建成的日期亦會產生重大銜接問題。
6. 政府要進行多重招標工作擬備多份內容複雜而互相牽連的土地契約文件，工作不單極為困難而且容易出錯，更可以引起很多不需要的法律訴訟和問題。
7. 分拆投標而令政府投放額外資源亦不容忽視，特別是鑑於現時資源緊絀的情況。
8. 若以分拆方法，要西九龍締造成一個文娛藝術中心和建築地標，我相信亦要告吹。

9. 文藝設施作為公共工程項目，在政府資源緊絀的環境下，實際上很難優先處理。如西九龍的大型文化項目，更難見天日。

10. 政府希望透過西九龍的私人投資建設，製造大量建造業和有關的專業職位，包括法律專業，但如分拆處理亦不能在中、短期內實現。

- 所以，單一發展這個構想由始至終我們一直未有改變，政府在過去亦曾多次向本會解釋，去年七月特別得到這委員會強烈支持，去年十一月更得到立法會表決的祝福。整個發展建議邀請書亦建基於這個單一發展模式上，假如現在放棄這個模式，便等於取消了現正進行的發展建議邀請，亦應該取消以單一發展模式而提出的三個已經入圍發展計劃會進行的下一輪公眾諮詢，這樣將不會得到普羅大眾諒解。而且已投放的資源和時間，都會白費，這將會嚴重影響投資者，包括國際投資者對香港的信心。

- 有關第二個問題，即有關地積比率方面，在善用土地的原則下，發展建議邀

請書已訂出了 1.81 的比例標準。我再次強調，主席和各位議員，政府不會對建議照單全收，任何偏離這個標準的建議，都要提出充分的理據。我們亦會充分考慮公眾對地積比率的意見。此外，地積比率亦必須獲城市規劃委員會通過法定程序核准，在這個過程中，公眾亦可多次提出他們的意見。

- 有關文化藝術設施方面，我們要求這些設施的管理模式可促進香港長遠的文化發展，吸引社會各界及公眾人士的支持，提供機會予各界人士參與管治，並向政府和公眾負責。我們亦要求中選者在法律及財政上有承擔，能健全而負責地運作這些文化藝術設施。這些在公布的評審準則中清楚列明。所以，我們很希望將來管治的模式，一定有文化界充分參與。
- 政府非常明白有效和具公信力的問責精神和管理模式，對日後文化設施的有效營運和持續發展極為重要。所以，在選取建議書時，這方面的評審是最為重要的。我們會確保市民關注的元素，包括向公眾負責和有文化界專家參與的管治架構，以及有穩定和充裕的財政承

擔，會付諸實行。政府亦會監管核心文化設施的運作，確保其營運水平。

- 我想指出，西九龍項目的發展乃依據「建立夥伴關係」的原則，引入私人機構的參與，以靈活的手法營運，讓文化事業能更多元、更蓬勃地發展。事實上，文化工作者都有賴先進的場地去展示他們的才華和提昇他們的創作水平。歷史証明，新的設施的確能吸引更多人參與文化和藝術活動。只要有優秀的項目，配合有效的市場推廣策略，新增的設施都會有足夠的使用者。
- 我們歡迎各界人士對這個項目發表意見。在下月中開始舉行的公眾諮詢，將是最好的機會，讓公眾可以看到各個入圍建議書的發展模型和建議書的內容。我們希望各位議員與我們一樣持開放的態度，先聽取公眾在諮詢期間發表的意見，然後才對有關問題作出最後的結論。多謝主席和各位議員。

- 完 -