

**Legislative Council Panel on Development  
Subcommittee on Harbourfront Planning**

**Follow-up to the third meeting on 6 April 2009**

The following information is provided to Members as a follow-up to the third meeting of the Subcommittee held on 6 April 2009 :

- (a) the Administration's study on overseas harbour authorities;
- (b) studies on overseas harbour authorities conducted by other parties; and
- (c) the Development Bureau (DEVB)'s liaison and cooperation with District Councils on harbourfront enhancement.

**The Administration's Study on Overseas Harbour Authority**

2. In the "Planning Study on the Harbour and its Waterfront Areas" completed by the Planning Department (PlanD) in 2003, paragraphs 8.4.2 to 8.4.5 of chapter 8 and Appendix H of the Final Report provided information on a few overseas statutory harbour authorities. An extract of chapter 8 and Appendix H are at **Annexes A and B** respectively. A copy of the full Report (in English only) has been deposited with the Subcommittee Secretariat for Members' reference and the soft copy can be accessed and downloaded from PlanD's website at [http://www.pland.gov.hk/p\\_study/comp\\_s/harbour/main\\_e.htm](http://www.pland.gov.hk/p_study/comp_s/harbour/main_e.htm).

3. Since the 2003 study, PlanD continues to keep in view development trends and conducts desk-top research on overseas harbour authorities. An information note on "An Overview of Selected Overseas Harbour Authorities" (in English only) prepared in April 2008 is at **Annex C** for Members' reference.

**Studies on Overseas Harbour Authorities Conducted by Other Parties**

4. Apart from the researches carried out by PlanD, there are other studies on overseas experiences conducted by other organizations. Having obtained the consent of the relevant organizations, the following information is enclosed for Members' reference :

- (a) ***"Managing the Vision: Organisational Structures and Harbourfront Management"*** (in English only) published by the Harbour Business Forum (HBF) (**Annex D**). In this report, the HBF examined the waterfront developments in Hong Kong as well as overseas and analyzed the management structures of overseas cities; and
- (b) ***Overseas visits to Liverpool & London in November 2008, and Singapore and Sydney in February 2009*** by the Task Group on the Management Model for the Harbourfront (TGMMH) of the Harbour-front Enhancement Committee (HEC). The TGMMH has been tasked to study different harbourfront management models and advise on a practicable management model for the Victoria Harbour. Information on the institutional and implementation arrangements for harbourfront management of the cities visited has been extracted and is provided at **Annexes E & F** (in English only). Earlier this month, members of TGMMH visited San Francisco and Vancouver. A post-visit report is being prepared and it would be made available to Members. To follow up the visits, the TGMMH will consolidate their observations and findings in the overseas visits and produce a Recommendation Report to the HEC on a practicable model for harbourfront management in Hong Kong.

### **DEVB's Liaison and Cooperation with District Councils on Harbourfront Enhancement**

5. With the approval of the Finance Committee, we created on 1 April 2009 an Administrative Officer Staff Grade C post, designated as Principal Assistant Secretary (Harbour) (PAS(Harbour)), to head a new Harbour Unit set up in the Planning and Lands Branch of DEVB. One of the main tasks of Harbour Unit is to enhance the liaison and communication with district councils (DCs), with a view to strengthening cooperation and collaboration between the Administration and DCs on harbourfront enhancement. Since the setting up of this new dedicated unit, we have been able to commit more liaison and consultation efforts with DCs on harbourfront enhancement matters. For instance, PAS(Harbour) and her team will attend meetings of DCs and their various committees / working groups on harbourfront matters as far as possible.

PAS(Harbour) has also become a standing member of the Working Group on the Beautification and Enhancement of the Central and Western District Harbourfront under the Central and Western DC.

6. As we mentioned at the second meeting of the Subcommittee on 6 April 2009, the Administration will continue to look for opportunities to collaborate with DCs on the implementation of harbourfront enhancement initiatives, including quick-win projects. An example we quoted at the meeting is the recent effort by the Kwun Tong DC to complement the Administration's quick-win project to construct a 200 metre long harbourfront promenade at the Kwun Tong Public Cargo Works Area (PCWA). The complementary effort of Kwun Tong DC is to launch a district minor works (DMW) project to demolish a corresponding 200 metre long wall adjacent to the PCWA and beautify the vacant government land behind the demolished wall. Through this DMW, more open space will be made available at the harbourfront promenade now being constructed, and visitors will be able to enjoy a wider and better harbourfront view. Both the Administration's and Kwun Tong DC's works have commenced in early March 2009 and are expected to complete in late 2009. We will continue to explore other practicable projects with relevant DCs to enhance the harbourfront for public enjoyment.

**Development Bureau (Planning and Lands Branch)**  
**April 2009**

## 8 Implementation mechanisms

### 8.1 Context

- 8.1.1 The Harbour and Waterfront Plan represents the first step in realising the Vision for Victoria Harbour put forward in 1999. This vision has two essential themes; first, to create an internationally admired visual image comparable to that of other major harbour cities but uniquely symbolic of Hong Kong; and, secondly, to bring the waterfront to life by opening it up as an activity centre for the enjoyment of the people of Hong Kong and visitors to the city.
- 8.1.2 To these ends, within an overall land use development concept, the Harbour Plan adopts an integrated approach to the planning, design and functions of the development and spaces for the various areas of which it is composed. These areas are physically linked by a virtually continuous landscaped, pedestrian promenade and network of open spaces, providing a variety of areas for different kinds of activity and a setting for the imaginative development of adjoining land. It thus provides a comprehensive framework for identifying development opportunities and establishing the principles which should govern their planning and design.
- 8.1.3 The Harbour Plan itself is only a first step. It will not be realised as intended, especially the subtler aspects of urban design, unless its objectives are consciously pursued through the means of some vigorous implementation mechanism. It must have some forceful initiator and guiding hand to promote and co-ordinate development and ensure that it makes an effective contribution to the aims of the vision statement. The integrated approach will often involve an overlapping of public and private areas of responsibilities, demanding close co-operation in the planning, design and execution of projects and requiring a constructive dialogue with the private sector.
- 8.1.4 Many government departments and agencies could be involved in one way or another, particularly Planning (PlanD), Territory Development (TDD), Leisure and Cultural Services (LCSD), Lands (LD), Transport Department (TD) (and Highways Department (HyD)), Architectural Services (ASD) and Marine (MD), requiring the co-ordination of their respective activities. The Town Planning Board would be involved in any necessary changes to land use zonings on statutory plans. The particular interests of other public bodies like the Tourism Commission, the Hong Kong Tourism Board and the utility companies would also need to be taken into account.
- 8.1.5 The implementation of the Harbour Plan in order to realise the Vision for Victoria Harbour will be a formidable undertaking. It will involve planning, design, management and co-ordination tasks of the highest order.

### 8.2 Major specific activities to be undertaken

#### *Planning and design*

- 8.2.1 A foremost objective in implementing the Harbour Plan is to ensure that plans and designs are of the highest quality. The visual impression portrayed by waterfront development and the environmental ambience, both visual and functional, of the

promenade and public open spaces will be critically important in establishing the image of Hong Kong as a specially fine and vibrant city.

- 8.2.2 Many potential development sites are very prominent and highly visible. It will be essential to take particular care with the planning, design, use, disposition and form of buildings on these sites and to exercise a strict level of development control. Areas of special urban design interest would require a comprehensive urban design framework to ensure that the design of individual buildings and the public spaces surrounding them relate properly to one another. This should be taken into account when reviewing and revising outline zoning plans (OZPs) or preparing new ones as a consequence of the Harbour Plan's proposals. Under the present planning system, there are only limited possibilities of applying such urban design criteria in the preparation of statutory plans (although in the case of disposal of new sites design requirements can be included in the sales conditions or tender requirements). Due to its visual prominence, the harbour waterfront is an exceptional case where it may be desirable in some cases to specify certain design requirements in lease conditions.
- 8.2.3 A further important aspect of design relates to public facilities, especially the promenade and its associated open spaces. As an area which will be the focus of activities and an important gathering place for residents and visitors, it must be of exceptional design quality with special attention paid to landscaping, paving, lighting and street furniture.

*Development programming and project co-ordination*

- 8.2.4 If the Harbour Plan is to be implemented in an orderly, cost-effective and time-effective way projects must be properly co-ordinated. This applies especially when a number of departments or interdependent projects are involved.
- 8.2.5 An important instrument for effective implementation is the development programme, which can be described as the phasing of the Harbour Plan in terms of the actual projects of which it is composed. The object of project co-ordination is to secure the implementation of the Harbour Plan in accordance with the development programme by ensuring that the parties responsible for projects perform their obligations at the scheduled time and in accordance with the desired project development sequence. The progress of the development programme would be closely monitored and appropriate action taken in the event of any revealed problems.

*Management of open spaces*

- 8.2.6 The construction of the promenade and its network of open spaces will create extensive public areas intended to be used for different active and passive pursuits and entertainments. These areas must not only be well designed but also maintained to a high standard and managed so as to enhance their attraction to residents and tourists as places in which to congregate and enjoy themselves. This will demand an imaginative approach to the use and management of the areas in a variety of interesting and novel ways, for example by more liberal relaxation of outdoor dining in public open spaces.
- 8.2.7 A further management problem occurs with land awaiting development. The eyesores created by such land following reclamation operations are a common cause of

complaint. Where closely related to waterfront areas frequented by tourists they detract from the image of Hong Kong. Sites of these kinds need to be properly tidied-up and made reasonably presentable, and possibly landscaped as a temporary measures. Positive consideration should also be given to their use for various kinds of temporary use of appeal to residents and tourists alike such as exhibitions, festival events, displays, markets, etc., as in the case of the Tamar site.

### 8.3 Institutional requirements and objectives

- 8.3.1 It is useful to distinguish between two aspects of Harbour Plan implementation: the institutional framework which is required to provide the authority and driving force for implementation, and the implementation mechanisms or procedures that are required to overcome constraints on implementation, regardless of the institutional framework chosen. The present and following two sections consider the requirements for an institutional framework, while section 8.5 deals with implementation mechanisms.

#### *Issues arising from use of existing procedures*

- 8.3.2 No existing body has all the attributes required for implementing the Harbour Plan. Most existing departments are single-purpose bodies, lacking the range of skills and experience required for securing and coordinating the realisation of integrated, multi-use planning schemes and development projects. The Urban Renewal Authority (URA) in terms of its power across many departmental boundaries comes closer to the specification than any other but its remit is severely restricted to the upgrading and rehabilitation of obsolescent or run-down housing areas. In any event, it has a large enough work-load to contend with in its existing area of responsibility without assuming more.
- 8.3.3 The existing responsibilities for undertaking the functions required of an implementation agency are shared between a number of government departments and agencies. In terms of developing new areas, the main agency is Territory Development Department (TDD), which, through its experience of implementing new towns and major urban area reclamations, has acquired considerable expertise in programming and coordinating the activities of different departments. A second key actor in this task is Planning Department, which is accustomed to working closely with TDD to prepare and update land use plans for the areas for development. Planning Department is able to bring to bear its understanding of the processes of planning and design and its a wide experience of briefing and supervising consultants commissioned to undertake integrated planning and development studies. The third focal agency is LCSD, which is responsible for the design, implementation and management of public open spaces (i.e. the types of uses which will cover the majority of the immediate waterfront area) as well as public and cultural and leisure facilities. A fourth agency is the Town Planning Board which has been involved intensively in the waterfront development during the plan making process.
- 8.3.4 Table 8.1 summarises the objectives and issues to be addressed in selecting an institutional framework for Harbour Plan implementation. This indicates that the continuation of existing procedures is unlikely to provide satisfactory mechanisms for realising the Vision for Victoria Harbour. A major drawback is that the existing responsibilities for harbour-side development and management are shared between

numerous government departments and agencies.

*Institutional framework requirements*

- 8.3.5 Any organisation charged with implementing the Harbour Plan should have a clearly defined brief of its responsibilities, its relationship to departments, agencies or other public bodies, its sphere of operations and its decision-making powers within that sphere.
- 8.3.6 It should have full powers to determine the timing of all public sector projects required for implementing the Harbour Plan in a coherent and integrated manner within an assured budget based on a rolling programme of expenditure.
- 8.3.7 Key requirements of an effective agency to guide and direct the implementation of the Harbour Plan are:
- strong vision to ensure implementation is pursued with vigour and imagination
  - correct focus to enable the setting of appropriate priorities between competing demands on the Harbour
  - sufficient powers and authority to achieve effective action either directly or by coordinating other organisations
  - sufficient financial resources to respond adequately to the needs of the Harbour
  - appropriate manpower resources and expertise to ensure a high quality of design in buildings and open spaces along the waterfront

**8.4 Institutional framework options**

- 8.4.1 Given that the continuation of existing procedures is unlikely to provide satisfactory mechanisms for realising the Vision for Victoria Harbour, alternative approaches need to be considered. A wide spectrum of possibilities can be envisaged between a strengthening of existing arrangements and a fully empowered Harbourfront Authority. Two options for establishing an integrating authority, are discussed and evaluated below: the first statutory and the second non-statutory. Either option would be responsible for the whole of the area along and associated with the Inner and Outer Harbour waterfront, as suggested in Figure 8.1.

*Option 1: A statutory development authority*

- 8.4.2 The first option would be to establish a statutory development authority empowered to do everything necessary to implement the Harbour Plan in accordance with its planning, design and development objectives. This method has been adopted by a number of harbour cities faced with planning and development problems similar to those of Hong Kong, including Sydney, Toronto and Vancouver. Such authorities follow a wide range of forms according to the particular needs and administrative contexts for which they have been designed. In particular, in federal government systems such as Canada, USA and Australia, the multiple layers of government create a further coordination problem

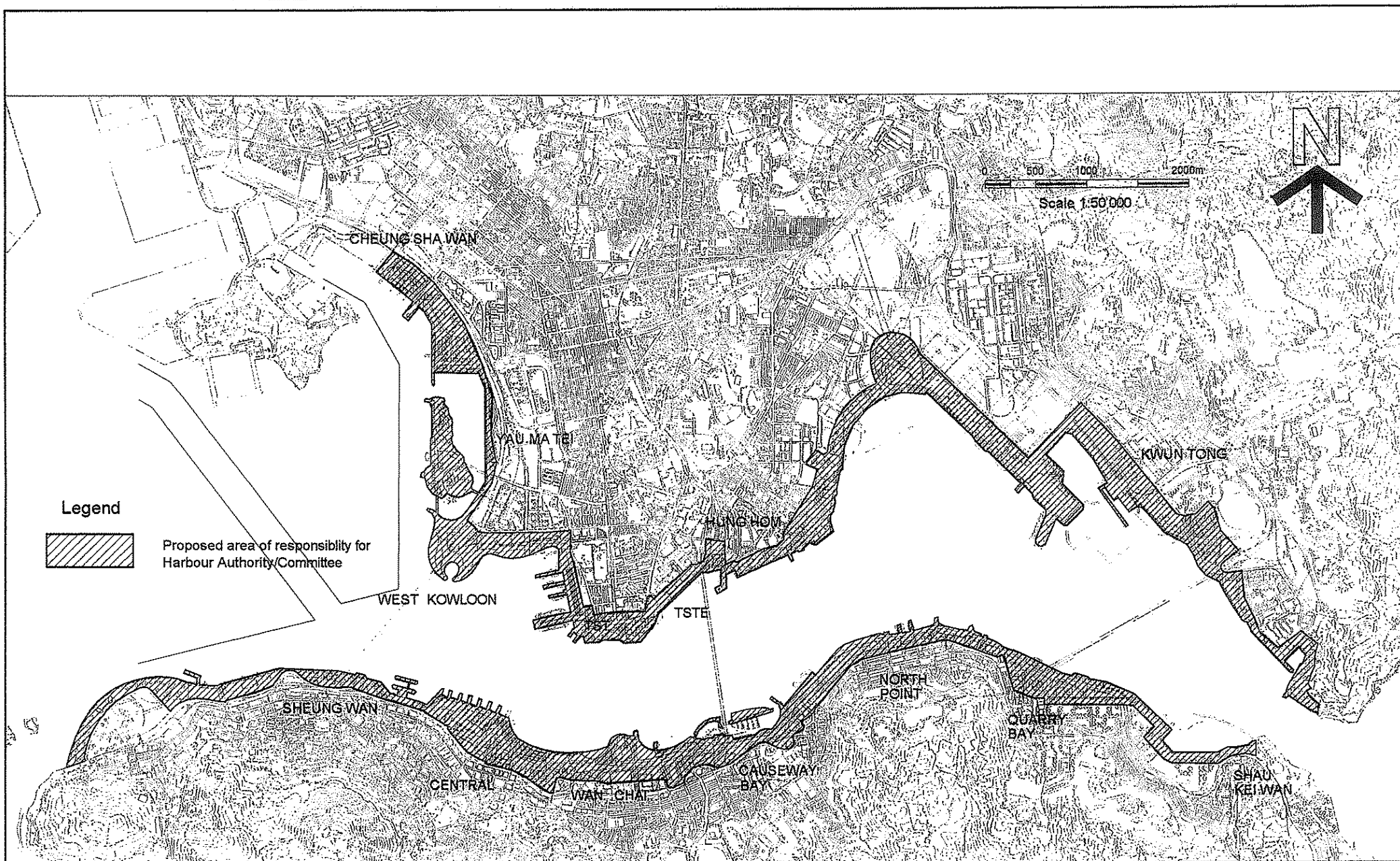


Figure 8.1

Proposed area of responsibility for Harbour Authority / Committee



which a statutory development authority representing all interests can address.

- 8.4.3 In Sydney and Toronto, the waterfront authorities have been formed specifically for the purpose of creating a world class waterfront and have full powers of land ownership, acquisition and development. The Sydney authority has delegated plan making and development control powers. In some cities such as Boston waterfront planning has become the responsibility of a Port Authority, in Melbourne the new waterfront is being developed by an authority responsible for dockland redevelopment, and in Vancouver, the Provincial Capital Commission has a capital wide remit but concentrates on the Harbour. The key characteristics of a number of such authorities are set out in Appendix H.
- 8.4.4 The remit of a Harbour development authority for Hong Kong would vary according to the functions allocated to it. Reduced to the minimum essentials, its primary role would be to plan, control, coordinate and manage the development process within its designated area. It would prepare, co-ordinate and supervise the development programme, produce planning and design briefs for public and private sector projects and allocate the former to the relevant department for execution. It would be empowered to oblige the departments to comply with its requirements.
- 8.4.5 A more far-reaching solution would be to extend the powers of the authority to the execution of projects and the management of all public land within the orbit of its operations. This is the approach which has been adopted in the most prominent overseas cases. For example, the Sydney Harbour Foreshore Authority has full powers to own, acquire and dispose of land and to undertake development. It manages a wide portfolio of property, including hotels, retail and commercial office complexes, residential developments and markets. Similar powers are enjoyed by Development Corporations in the UK, which include major waterfront areas such as Cardiff Bay and London Docklands. However, it has to be borne in mind that the insertion of such autonomous bodies in Australia and the UK, where local government units already enjoy similar powers, is easier than would be the case in Hong Kong, where government land ownership and management are centralised. It is assumed in the following discussion that the only type of Harbour development authority that might be realistically considered for Hong Kong is one with the more limited powers covering planning and design, co-ordination of implementation, and management.
- 8.4.6 The Urban Renewal Authority Ordinance could be used as a model for establishing an Authority in Hong Kong although there are distinguished differences in the nature of the work undertaken by the URA and the statutory authority being proposed. It would be incorporated by statute and have the normal rights and obligation of a body corporate in Hong Kong. Its objectives and purposes would be clearly defined, and its relationships to government departments established. It would be governed by a board composed and appointed in a similar way to that of the URA.

#### Planning responsibilities

- 8.4.7 The Harbour Authority would continuously monitor and periodically review the Harbour and Waterfront Plan, which would be endorsed by the Administration. However, under the option considered here all statutory planning powers of plan making and development control would remain with the Town Planning Board, with

the Authority being consulted on applications within its area. It would be unnecessarily complicated for a Harbour Authority to take over the powers of the Town Planning Board within its area, and this would lead to extensive issues of coordination along both sides of the extensive landward boundary of the waterfront area.

#### Coordination

- 8.4.8 A formal consultation process would be needed in relation to departments concerned in various ways with implementation. The authority would need to establish an Interdepartmental Subcommittee consisting of representatives of all the departments involved. At regular meetings of this subcommittee the authority would describe its proposals and proposed actions and canvas departmental views in frank discussions. A dialogue of this kind would help elicit the support of the departments and their cooperation in project co-ordination and implementation.

#### Funding and expenditure

- 8.4.9 The Authority would be funded by Government. It would prepare a detailed development programme of public sector projects for the designated area over the first five years of the Harbour Plan and be allocated sufficient funds to cover it. In the process of project co-ordination, it would disburse these funds to other departments or agencies responsible for project execution. The development programme would be reviewed and rolled forward annually. The funding and financial procedures could be developed from those contained in the URA Ordinance.

#### Main functions

- 8.4.10 The main functions of an Authority in respect of the designated area may be summarised as follows:
- to monitor and review the Harbour and Waterfront Plan;
  - to recommend to the Town Planning Board such planning and design conditions on development applications as it considers appropriate;
  - to prepare the five-year development programme and its budget, breaking it down into departmental components for issue to the departments;
  - to prepare planning and design briefs to be observed by the departments for these components or for commissioning consultants itself in the case of specially important projects, for example, the promenade;
  - to co-ordinate the activities of all the involved departments and agencies and allocate funds for project execution;
  - to initiate discussions with the private sector where there is an overlapping of public and private responsibilities or development impinges or in an important way on the Harbour Plan with the object of arriving at mutually satisfactory arrangements; and

- to manage any land left vacant pending development and all public areas created from the construction of the promenade

#### Land issues

- 8.4.11 Any resumption of land required for plan implementation would be undertaken by the Lands Department, who would remain responsible for the disposal of surplus land but subject to any planning and design conditions imposed by the Authority. The Lands Department would also be required to consult with the Authority before disposing of any Government land in the designated area to the private sector.

#### Staffing

- 8.4.12 By concentrating on its planning and co-ordination role and relying on contracting out to consultants for more detailed work, the staffing of the Authority could be quite modest. It could consist of a core multi-disciplinary team of about 10 to 15 experienced professionals and technicians with administrative support, under a general manager/chief executive. If its powers and role were to be expanded in the ways discussed below, this team would have to be significantly expanded.

#### Potential additional executive functions

- 8.4.13 As discussed above, the Authority could be given much wider powers. These could extend, in particular, to plan-making and development control, land management and the execution of the public sector projects of which the development programme is composed, thus greatly simplifying the task of co-ordination.
- 8.4.14 Within this area and under the auspices of the Town Planning Board, the Authority could assume the role as the executive arm of the Town Planning Board for the preparation of all forms of plan and for development control in accordance with the procedures set out in the Town Planning Ordinance. One option would be to draw up an OZP for the Harbour Area by excising OZPs falling within the designated area and reviewing their provision in the light of Harbour planning objectives. Another option would be to incorporate land use concepts in the Harbour Plan into the existing OZPs, as appropriate. In the exercise of these powers, the Authority would report directly to the Town Planning Board. There are several options for the relationship between the HA and the TPB. The simplest would be for the HA to be granted the same status as the TPB within its designated area, which would then be excluded from the TPB's jurisdiction. Another would be for the Harbour Authority to prepare OZPs for Town Planning Board's ultimate approval and for the HA to have delegated powers to determine planning applications on the TPB's behalf.
- 8.4.15 Publicly-owned and resumed land in the designated area could be vested in the Authority. It would then be able to plan areas to meet its requirements more effectively and to exercise a firmer development control when disposing of the land. This process might also make a revenue contribution towards its expenditure but, in view of major commitment of public funds to projects like the promenade, this is likely to be of marginal value only. It cannot be expected that a Harbourfront Authority could be self-financing.

*Option 2: Non-statutory Harbour Committee/Office (Figure 8.2)*

- 8.4.16 For TDD, PlanD, LCSD and other departments, working together, to come closer to meeting the fundamental requirements of an implementation agency listed above, a high level coordinating committee in Government would need to be established.

High level committee

- 8.4.17 A Harbour Committee would include heads of all bureaux and departments involved with or having a special interest in the implementation of the Harbour Plan (HPLB, ETWB, EDLB, PlanD, TDD, LCSD, ASD, MD, LD, TD), together with representatives of other relevant public bodies (C for Tourism, HKTB). Rather than being defined in law, the Committee would draw its power from its high level composition and its access to higher authorities. In order to ensure that the Committee had power to ensure all departments would implement its decisions, it would need to be chaired by the Chief Secretary or Financial Secretary. This type of special coordinating committee has been adopted from time to time in Hong Kong. Examples have included HOUSCOM, a Committee set up to coordinate actions by government departments to ensure the release of adequate sites for meeting forecast housing needs in the late 1990s, and SCIM, the Special Committee on the Implementation of Metroplan, set up in the early 1990s to devise appropriate mechanisms for implementing the 1991 Metroplan.
- 8.4.18 The committee would be responsible for all policy issues related to Harbour use and development, for requiring that the development programme and its project components are accepted by all departments and for ensuring that their activities are properly co-ordinated. For these purposes, the committee would operate through an interdepartmental technical working party composed of senior officers.

Executive Arm – Small Secretariat/Harbour Office

- 8.4.19 The Harbour Committee would require an executive arm with clear responsibility for ensuring the implementation of its proposals. This could take the form of either a small secretariat with an essentially coordinating role or a dedicated Harbour Office with greater executive capabilities. Given the fundamental requirements of an implementation agency set out above and the scope of the integrating tasks to be undertaken, a Harbour Office would be the more effective solution. The Harbour Office would be staffed by professionals with high levels of expertise in waterfront planning, design, and management. These could be seconded from Government Departments or recruited separately.
- 8.4.20 The Harbour Office would review and amend the Harbour Plan and prepare design standards and development briefs for public areas and key sites for public and private development. (Town Planning Board would continue to have responsibility for approving Outline Zoning Plans and determining planning applications). It would also prepare a Harbour Development Programme and coordinate a single budget head for Harbour Area improvements. A key function would be to serve as a “one-stop shop” for developers and investors and to initiate private-public partnerships.

## Recommended Institutional Framework: Harbour Committee Option

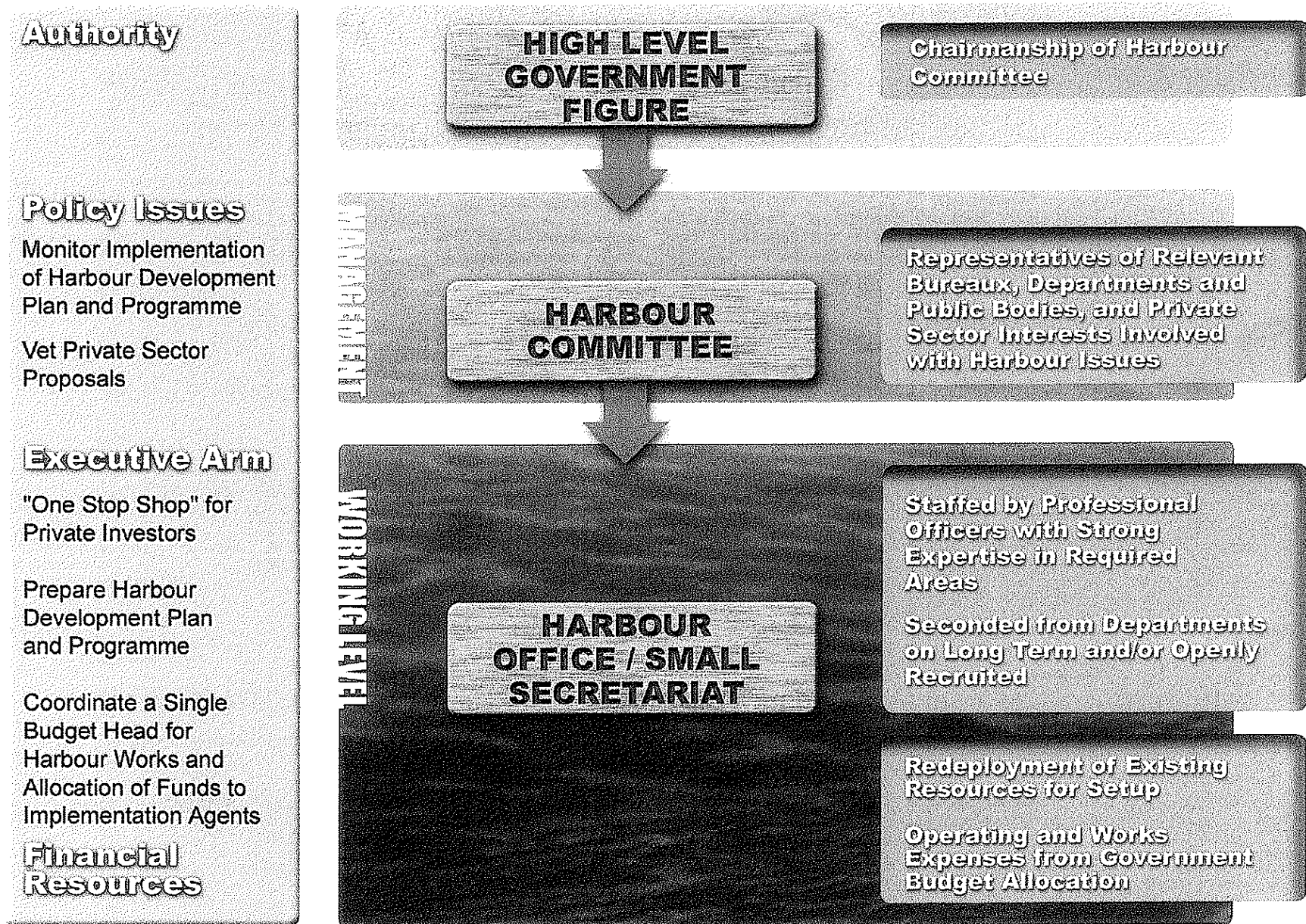


Figure 8.2

Recommended Institutional Framework

## **8.5 Comparison of options**

8.5.1 The options incorporate some common features. In both cases:

- The Harbour Development Plan and Programme would be endorsed by the Administration, following existing procedures.
- the statutory planning functions of the Town Planning Board would remain unchanged.
- Lands Department will remain as the authority on all functions relating to land acquisition and disposal of land for permanent development.
- operating and works expenses would be centrally allocated through an annual budget.

8.5.2 Fundamental questions to be considered when choosing an implementation option to fit the Hong Kong context are:

- does the magnitude of the waterfront task warrant a new statutory authority, taking account of the added complexity resource and cost?
- would there be material differences in implementation effectiveness between the two options?
- would an administrative arrangement have additional benefits, e.g. less delay, less pressure on public funds, etc.?

8.5.3 The two options described above have been evaluated according to the evaluation criteria listed in Table 8.1. Table 8.2 describes the performance of each option in meeting each objective and ranks the two options in first or second place for each option.

8.5.4 It is clear from Table 8.2 that Option 1 performs better than Option 2 against a majority of objectives. However, Table 8.2 does not indicate the significance of the performance differences against the objectives. This is shown in the Advantage Comparison Diagram in Table 8.3. This represents a pairwise comparison of the two options, with the scale of advantage in favour of each represented by the position of an asterisk on a scale ranging from "Compelling" in favour of Option 2 on the left to "Compelling" in favour of Option 1 on the right. Performance has been assessed qualitatively. Where no appreciable difference can be determined, the asterisk falls in the central column headed "Negligible".

8.5.5 Table 8.3 indicates that although several of the advantages of Option 1 over Option 2 are significant none is considerable or compelling. However, one advantage of Option 2 over Option 1 is considerable, "disruption to government". Establishment of a Harbour Authority would require legislative action and substantial changes to operations of existing departments. It would also create an additional organisation with which many other departments and agencies will need to deal, thus adding to the overall coordination burden of government.

- 8.5.6 Furthermore, against one criterion, "lead time", Option 2 has a compelling advantage over Option 1. Waterfront development is a continuous process in the Harbour area because of the past and future programmes of reclamation. However, undeveloped formed land from past reclamations, such as Hung Hom and West Kowloon Reclamations, and currently planned reclamations at South East Kowloon and Western District are expected to constitute the last available opportunities for waterfront development. It is vital therefore that an appropriate institutional framework be in place at the earliest opportunity to ensure that these final and major resources of waterfront land are developed in line with the Harbour Plan and the Vision for the Harbour. Already, during the course of the present study, the opportunity to use a key waterfront site at Hung Hom Reclamation for appropriate waterfront purposes has been lost due to the imperatives of the land sales programme. It is evident from the lead time required for setting up the Urban Renewal Authority that a Harbour Authority could not be in place to address these urgent issues within the next few years.

*Conclusion on institutional framework*

- 8.5.7 Each of the two options has relative advantages and disadvantages. The advantages of a statutory Harbour Authority over a Harbour Committee/Office arise from its status as an agency with the single purpose of implementing the Harbour Plan. This should allow it to work more vigorously and single-mindedly towards achieving the proper integration of the various elements of the Harbour to the highest design standards. Unlike a Harbour Committee, it would not have the task of reconciling the different aims and priorities of the various government departments. Furthermore, as a legal entity it would be better placed to initiate and to participate directly in partnerships with the private sector. However, as discussed above only a relatively minimal option of a authority would be appropriate in the Hong Kong context, rendering also a number of common feature between the two options (section 8.5.1).
- 8.5.8 The advantages of a Harbour Committee/Office arise mainly from the ease with which it could be set up. Undeveloped formed land from past reclamations and currently planned reclamations will constitute the last opportunities for new waterfront development and an appropriate institutional framework must therefore be put in place at the earliest opportunity to ensure these areas are developed in line with the Harbour Plan and the Vision for the Harbour. Because of the legislative procedures required for its establishment, a Harbour Authority could not be in place to address these urgent issues over the next few years, whereas a non-statutory Harbour Committee/Office arrangement could be implemented very quickly, with minimum disruption to the current workings of government. It is therefore concluded that the Harbour Committee/Office option is more appropriate to meet Hong Kong's needs at the present time (Figure 8.2).

**8.6 Mechanisms for improving existing implementation arrangements**

- 8.6.1 Given that it will be essential to work largely through existing arrangements for the foreseeable future it is important to identify the various ways in which those arrangements can be improved to ensure the ultimate product meets as far as possible the aspirations of the community.



### *Ensuring high quality design*

#### Departments' working philosophy

- 8.6.2 It needs to be fully appreciated that implementation of the Harbour Plan will differ from the previous projects implemented largely through the joint action of TDD and PlanD. The new towns and major Harbour Reclamations had and continue to have their own imperatives: accommodating urgently required infrastructure and urban uses. Despite efforts to achieve high quality developments the results are inevitably compromised by these key demands and the urgency of the development programmes. With the Harbour Plan implementation, the fundamental aim is to generate high quality development. A key waterfront and its associated facilities that are less than excellent will represent a fundamental failure of the implementing body. The latter will therefore require strong leadership and the encouragement of a special mindset among the staff involved.

#### Design Review Committee

- 8.6.3 A Design Review Committee should be established to perform an advisory role in respect of Harbour-side development. It should be composed of persons prominent and well-versed in the art and aesthetics of design, including individuals with special knowledge and interest in design, architecture, landscape architecture, urban conservation, etc. These may include well-qualified representatives from academic institutions, professional bodies, voluntary organisations and private companies (i.e. a similar composition to the Advisory Committee on the Environment). Its role would be similar in principle to that of the Commission for Architecture and the Built Environment (CABE) in the UK, formerly called Royal Fine Arts Commission. It would review and comment on the design aspects of all development proposals, whether private sector or government, within the area of responsibility of the Harbour Committee/Office. The Design Review Committee would make recommendations to the Town Planning Board, which would continue to have ultimate powers of decision.

#### Design competitions

- 8.6.4 Major public sector proposals should be put out for international design competition in accordance with a planning and design brief prepared by the Harbour Committee/Office.

#### *Private sector involvement*

- 8.6.5 Although much of the Harbourfront land, especially in the Inner Harbour, will be for public uses, the private sector will have a major contribution to make to the implementation of the Harbour Plan. There are three main areas for this involvement:
- Initiation and implementation of development proposals related to tourism and recreation
  - Development, management and operation of facilities
  - Inclusion of public facilities within private developments



Treatment of private sector development proposals

- 8.6.6 There are adequate procedures to deal with private sector proposals for developments on privately owned sites. If necessary the developer can apply to the Town Planning Board for a rezoning to permit a proposal which is incompatible with the zoning on the current OZP. However, over much of the Harbour waterfront the land is (or, in the case of future reclamations, will be) in government ownership and private sector proposals will only be realisable if land is made available for private sector use. This is unproblematic if the developers are intending to implement the zoned use of sites disposed of by auction. However, if the objective of developing an exciting, distinctive and successful waterfront is to be achieved, there must be means by which developers can put forward innovative projects which may not comply with existing plans.
- 8.6.7 In the case of major development opportunities on government land a solution to this problem is to hold open competitions to attract imaginative ideas from the private sector. This approach was adopted in the West Kowloon Arts, Cultural and Entertainment District. An open competition of this kind is a new mechanism in Hong Kong in so far as it relates to stimulating ideas for the planning of a district and the uses to be accommodated in it, rather than the architectural design of a known facility. Until the results of a few such competitions are known it is not possible to conclude how successful open competitions are likely to be although no doubt lessons will be learned from the early ones which could improve the effectiveness of future competitions.
- 8.6.8 It would be impractical and undesirable to hold numerous open competitions for new sites in the Harbour Area and this method should be restricted to special cases. Furthermore competitions cannot deal with the situation under which an individual developer initiates an imaginative proposal which can only be implemented with Government's support and commitment. Such a scheme might, for example, require a grant of government land (if the site is not wholly in the ownership of the developer) or changes to the existing or planned highway arrangements near the site. At present there are no clear procedures for dealing with such cases as they raise the difficulty of appearing to favour one developer over another. If government were to try to avoid this by adopting the idea in its own plans and then offering the site for tender, the initiating party would not necessarily win the project. This risk would discourage developers from initiating such schemes.
- 8.6.9 One approach which would uphold the competitive principle without excessively penalising the originator of the most imaginative project would be for government to welcome private sector proposals of this kind at any time. The Harbour Committee would review such proposals in relation to the principles and objectives of the Harbour Plan. On identifying a proposal that would be desirable to pursue, the Administration would invite alternative conceptual proposals for the site from other developers, to be submitted within a restricted period (say two months). The Harbour Committee would then compare the original proposal and the alternatives and recommend one to government for endorsement, before commencing negotiations for implementation with the selected party.

Arrangements for private sector development, management and operation of public facilities

- 8.6.10 As mentioned above, much of the Harbourfront land, especially in the Inner Harbour, will be for public uses, including both open space and facilities. It will be highly desirable to achieve a high degree of private sector involvement in the development, management and operation of these spaces and facilities. This can be achieved through various types of Public Private Partnerships (PPPs).
- 8.6.11 PPPs are arrangements between government and private sector entities for the purpose of providing public infrastructure, community facilities and related services. Such partnerships are characterised by the sharing of investment, risk, responsibility and reward between the partners. They generally involve the financing, design, construction, operation and maintenance of facilities and services.
- 8.6.12 The underlying logic for establishing partnerships is that both the public and the private sector have unique characteristics that provide them with advantages in specific aspects of service or project delivery. The most successful partnership arrangements draw on the strengths of both the public and private sector to establish complementary relationships. The roles and responsibilities of the partners may vary from project to project. For example, in some projects, the private sector partner will have significant involvement in all aspects of service delivery, in others, only a minor role.
- 8.6.13 In all cases, government remains responsible and accountable for delivering services and projects in a manner that protects and furthers the public interest. By entering into a public private partnership, government does not give up its ability to implement its policies or regulate the provision of services. Government establishes the ground rules and has the ability to shape the public private partnership to reflect its own objectives, policies and regulations. It can be argued that government has more control, in that it has well-defined contractual remedies in a public private partnership arrangement that it may not have with its own management and staff.
- 8.6.14 Some of the main forms of Public Private Partnership (there are numerous intermediate forms) are described in Table 8.4. The table also shows some of the functions for which they would be most appropriately used in implementing the Harbour Plan and the benefits they offer. They are arranged in order of increasing involvement of the private sector, in terms of financing and ownership (and therefore risk). The allocation of risk between the partners is a key consideration that affects various other aspects of partnership agreements, including rewards, investments and responsibilities.
- 8.6.15 The simplest forms of partnership could be used to bring about private sector implementation and management of sections of public waterfront promenade. The more complex forms are more appropriate for implementing revenue-generating recreation and tourism facilities. These might include, for example, festival market-type developments, and restaurant and retail facilities within public open spaces. The concept of the public private partnership applies equally to less development related and routine management activities, such as organisation and management of events and event programmes.

Inclusion of public facilities within private developments

- 8.6.16 Private development may need to be closely related to or designed to accommodate public sector projects, requiring a close co-ordination between the two sectors. The most common case is likely to be the incorporation of promenades within private housing or commercial developments. This may occur on waterfront sites where no allowance has been made in the existing OZP for a public promenade or where it would be desirable to induce the landowner to widen the existing promenade within a private site, perhaps by introducing a piazza. In these cases it would be desirable to establish an arrangement by which the private party would become responsible for the management and improvement of the existing promenade as well as its extension, in order to ensure consistent design and an effective management regime.
- 8.6.17 The Harbour administration should develop a sound basis for embarking on a dialogue with the private sector which should be co-operative rather than adversarial in its approach. By constructive dialogues the aims and objectives of each could be met in a mutually acceptable way and their respective roles clarified. By these means developers benefiting from public sector activities could be induced to contribute or incorporate public facilities in their development and to do so in a timely fashion. Negotiations of these kinds might involve land exchange, site boundary adjustment or resumption, in which case the Lands Department and Finance and Treasury Bureau may need to be party to the discussions.

*Consultation obligations*

- 8.6.18 The vision for the harbour is an exciting one and of great interest to the people of Hong Kong. It will enhance the image of their city to the world and open up the waterfront for their pleasure. It is important that the people should be carried with and feel part of the implementation of this vision.
- 8.6.19 The Harbour Committee should develop a conscious public relations policy. Apart from statutory and standard procedural consultations, there should be a campaign of explanation and portrayal of development and design ideas to capture the public imagination and invite its views. This could be effected by the publication and wide distribution of simple descriptive and illustrated pamphlets, the mounting of public exhibitions from time to time and holding public discussions. These devices would be additional to any periodic, more formal public consultation meetings.
- 8.6.20 The system of consultation will be required for those organisations and persons who are peripherally involved in implementation or waterfront activities because of their particular interests or their position in society. Examples of the first would be bodies concerned with leisure, arts and entertainment, especially in the open air or on public spaces, and with the use of the Harbour water body. The second would include the professional and academic communities, political representatives etc. A list of such organisations and other interested parties should be prepared and a Consultative Forum established. Discussion groups could be organised periodically to deal with particular subjects and persons interested in those subjects invited to attend.
- 8.6.21 A regular and formal consultation system would be required for the Tourism Commission, which has a direct and vital interest in the development and use of the

waterfront for tourism and leisure purposes. This approach may well be required for other bodies of a similar kind.

#### *Land use zoning*

- 8.6.22 Appropriate zoning on the Harbour area OZPs will support the intentions of the Harbour Plan. The following zonings are considered appropriate for waterfront sites, in addition to standard residential, commercial and industrial and G/IC zonings where these are relevant.

#### Open Space

- 8.6.23 This zoning should be used for promenades, piazzas and parks. Under this zoning, refreshment kiosks are permitted but restaurant facilities are a column 2 use. Minor displays and small museums should also be acceptable.

#### OU (Hotel)

- 8.6.24 The case for a specific zoning for hotel use to ensure certain key waterfront or otherwise prominent sites are not lost to less appropriate office development has been made in the Metroplan Review and is reiterated here. The aim is to ensure prime hotel locations would be safeguarded for their most appropriate use, even where office use may be more profitable to a developer. Such locations would need to satisfy certain criteria, in particular:

- the location or the site itself offers special benefits to tourists because of its geographic or functional characteristics, and/or
- hotel use would contribute significantly to the vitality of the area and thereby the success of a wider development concept (such as a cultural or entertainment district).

#### OU (Tourism uses)

- 8.6.25 This zoning covers a range of uses intended to be directly related to tourism in the form of specific attractions or support facilities. The zoning would be used for sites intended for such attractions as festival markets, aquariums, amusement parks, etc, although such specific uses should not be specified in the OZP, except as examples. Other uses that would be appropriate within this zoning include: hotels, retail elements, restaurants, performance venues, museums, etc. The acceptability of offices or residential uses in these sites would need to be specified in the OZP. The compatibility of various uses under the zone should be carefully assessed at plan making stage.
- 8.6.26 The Harbour Plan will be implemented over a long time period during which it may be expected that new types of development will evolve. It is therefore desirable to retain a high degree of flexibility in relation to the uses on land for future development and in particular not to specify too closely the types of attractions intended for specific locations. In practice the latter will need to be established on the basis of careful marketing and feasibility studies to be undertaken by their promoters.

CDA

- 8.6.27 This zoning should be used on key sites with proposed mixed uses which are intended to serve an important function in the Harbour Plan, such as carrying important pedestrian routes or incorporating public facilities, so that a high degree of control can be achieved over the form and content of the development.

**Table 8.1 Implementation objectives and issues for Hong Kong's Harbour**

|                | Objective  | Implementation problems and issues for Hong Kong's Harbour   |
|----------------|--|--|
| Implementation | <b>Vision:</b> to ensure Harbour Plan implementation is pursued with vigour and imagination    | Planning and implementation of the Harbour Plan cannot be treated as a routine component of plan-making, development control and development activity. To ensure the Harbour retains a strong appeal to local people and tourists, its development and management will require a continuous input of vision and imagination.   |
|                | <b>Powers:</b> to ensure necessary actions can be taken  | The Harbour and its Waterfront are a scarce resource. To ensure they are fully used for the benefit of the public and visitors and particularly to avoid wasting them by inappropriate development, an institutional framework is required that can act decisively and with authority. Comprehensive powers covering land, building, design, management, promotion, etc are necessary.   |
|                | <b>Resources:</b> to ensure adequate financial resources available for implementation          | As there is no separate budget head for Harbour expenditure Government's resource allocation process does not necessarily ensure an appropriate level of expenditure on Harbour needs.   |
|                | <b>Prioritising:</b> to ensure effective balance between competing demands on Harbour          | The Harbour must serve a wide range of functions in Metro, in addition to providing an attractive physical setting for recreational and tourism activities. In particular, it continues to accommodate important elements of Hong Kong's port, as well as various uses which require waterfront locations. Means must be found to resolve the resulting land use and activity conflicts to the best advantage of the SAR as a whole. |
|                | <b>Co-ordinating:</b> to ensure all agencies contribute to achieving planned outcome           | Except within clearly defined new development areas such as new reclamations where TDD is responsible for coordination, different departments work to meet their own departmental objectives according to their own guidelines and priorities.   |
|                | <b>Programming:</b> to ensure all elements of development are provided in a cost-effective way | Hitherto the Harbour waterfront has not been viewed in a comprehensive fashion to ensure that the programming of facilities is cost-effective in terms of Harbour objectives.  |
|                | <b>Budgeting:</b> to ensure expenditure follow Harbour priorities                              | As all spending departments follow their own departmental priorities there is currently no way in which expenditure within the Harbour Area can be made to respond to Harbour priorities.  |

**Table 8.1 Implementation objectives and issues for Hong Kong's Harbour (cont'd)**

|                     | Objective  | Implementation problems and issues for Hong Kong's Harbour   |
|---------------------|--|--|
|                     | <b>Private sector involvement:</b> to promote the input of private sector finance, expertise and management capability | The private development sector has always played a major role in developing the special character of Hong Kong, especially through the creation of world-class architecture. Much of the Harbour waterfront will comprise open space, providing the setting for key buildings which should be of the highest design quality. It will be desirable to find ways of involving the private sector in developing public spaces as well as buildings for public and tourism use, for which financial returns may not be equal to those of conventional urban property development. It will also be beneficial to bringing the private sector's management skills to bear in the Harbour area. |
|                     | <b>Manpower:</b> to ensure sufficient manpower with suitable expertise is committed to Harbour implementation          | Many aspects of Harbour planning, design, implementation and management require specialised expertise that cannot easily be attracted to broad-based departments for whom the Harbour is one of many areas of concern.   |
| Planning and design | <b>Land use:</b> to ensure an appropriate distribution of uses, development and activities                             | Different parts of the waterfront have been considered independently and more in relation to their role as opportunity spaces for meeting Metro Area needs than to meet Harbour objectives. New waterfront areas have tended to accommodate a disparate array of infrastructure uses such as pumping stations, substations, ventilation shafts, etc without a coherent plan ensuring the most effective use of the whole area. The GIC uses on the Sheung Wan reclamation is a clear illustration of this approach   |
|                     | <b>Integrated design:</b> to ensure consistency of design throughout Harbour area                                      | Different implementing departments, such as LCSD, ASD, HD, TDD have their own unrelated design styles, with varying degrees of aesthetic quality and sensitivity to place. There is thus often no design consistency for example between highway structures, promenades, utility provision and visitor facilities and no attempt to create and follow an appropriate theme at different sections of the waterfront.  |
|                     | <b>Quality of design:</b> to promote high quality design in public and private sector developments                     | There appears to be limited vetting and control of private sector development proposals from the design point of view to ensure a coherent urban design vision can be achieved. The most obvious aspect where control is lacking is in building height, as illustrated by recent tall waterfront buildings. There is little evidence of strong efforts by government to achieve high quality of design in prominent locations. Examples of facilities whose design fails to respond adequately to the needs and opportunities of a key waterfront location are the relocated Central Ferry Piers.  |

**Table 8.1 Implementation objectives and issues for Hong Kong's Harbour (cont'd)**

|                    |   |   |
|--------------------|---|---|
| <b>Management</b>  | <b>Open space:</b> to ensure waterfront spaces are attractive to use                | Although some existing promenades and waterfront spaces are deficient in physical terms such as lack of shade, inadequate, uncomfortable seating, intrusion by engineering utilities, limited or inappropriate landscaping, they are also widely criticised for lacking activity and facilities for enjoyment, such as refreshment stalls, restaurants and cafes, events and entertainment. |
|                    | <b>Events:</b> to promote interesting range of activities and events                | Compared with comparable overseas cases, such as Darling Harbour in Sydney, Hong Kong offers a very limited programme of outdoor events that can be enjoyed on or from the extensive waterfront spaces.   |
| <b>Realisation</b> | <b>Lead time:</b> to ensure Harbour Plan implementation can begin urgently          | Some of the key remaining new waterfront development opportunities, such as Hung Hom and West Kowloon Reclamation waterfronts, are current or imminent. If these are to properly incorporated into the Harbour Vision the institutional framework for Harbour Plan implementation needs to be in place almost immediately.  |
|                    | <b>Disruption to government:</b> to minimise upheaval in government operations      | Ideally the introduction of an appropriate institutional framework for implementing the Harbour Plan should involve minimal disruption to the ongoing activities of government resulting from restructuring and introduction of new legislation and procedures.   |
|                    | <b>Timeframe:</b> to ensure Harbour Plan implementation has a long term perspective | Implementation of the Harbour Plan is a very long term activity, which will extend beyond the current generation of new waterfront development to encompass the continuous renewal of existing and future areas to meet evolving demands on the Harbour. Maintenance and management will also continue into the long term.  |



**Table 8.2 Evaluation of alternative institutional frameworks**

| Topic          |           | Objective  | Option 1 - Harbour authority  | R | Option 2 – Harbour Committee/Office  | R |
|----------------|-----------|--|---|---|--|---|
| Implementation | Vision    | to ensure Harbour Plan implementation is pursued with vigour and imagination | As a new body charged with the single, specific purpose of implementing the Harbour Plan an authority could be expected to pursue its objectives with enthusiasm, uninhibited by normal departmental procedures. This would facilitate the ordering of work priorities, the internal delegation of responsibilities and the establishment of more decisive and less bureaucratic procedures. It could be structured from the outset in the most effective way for accomplishing its task. | 1 | It could be difficult for existing institutions with set views to generate new ideas and follow new priorities. Other bodies such as the Tourism Commission, being less tied to routine functions have more scope to pursue imaginative ideas but lack the authority to follow them through.                                 | 2 |
|                | Powers    | to ensure necessary actions can be taken                                     | Authority could be vested with all the necessary legal powers to serve its purpose. It would be autonomous and authoritative, and capable of applying a directness to its decisions and actions which could be vital to a successful operation.   | 1 | Special committee would not have clear-cut powers or autonomy and would derive its authority purely from its composition. This could be maximised if the committee were chaired by a senior government figure.<br>As no statute is required, it could not be vested with any legal powers which are not currently available. | 2 |
|                | Resources | to ensure adequate financial resources available for implementation          | Resources would be allocated directly to an overall Harbour Area budget. It would also be possible for Harbour Authority to have substantial self-funding from income, although it cannot be expected that it would ever become fully self-financing.   | 1 | A new budget head could be created to respond to Harbour needs.  | 2 |

**Table 8.2 Evaluation of alternative institutional frameworks (cont'd)**

| Topic |              | Objective  | Option 1 - Harbour authority  | R | Option 2 – Harbour Committee/Office   | R |
|-------|--------------|--|---|---|---|---|
|       | Prioritising | to ensure effective balance between competing demands on Harbour           | An authority could set its own priorities within the Harbour Area, reflecting its assessment of the Harbour's needs, and respond to those priorities in its actions and budgeting.  | 1 | Each department would be likely to seek to apply its own priorities in terms of its objectives and the demands placed on it. The Harbour Committee would need to have very strong authority to counter this tendency. | 2 |
|       | Coordinating | to ensure all agencies contribute to achieving planned outcome             | Authority would be able to make its own decisions on many of the issues which might have generated different views among government departments. However, the need for additional coordination between the new body and existing agencies would be generated. | 1 | The high level committee would not have full authority over relevant departments and may have difficulties reaching consensus and achieving compliance.   | 2 |
|       | Programming  | to ensure all elements of development are provided in a cost-effective way | Authority would need to have a section with expertise in development programming.   | 1 | TDD has long experience of programming development and infrastructure provision and would be adequately equipped for the task.  | 1 |
|       | Budgeting    | to ensure expenditure follows Harbour priorities                           | The Authority would be funded by Government and in the process of project co-ordination would disburse funds to other departments or agencies responsible for project execution. It could therefore respond fully to Harbour priorities.                      | 1 | Departments would be required to create a specific Harbour head in their budget preparation, with budgets supervised by the Harbour Committee.  | 1 |

**Table 8.2 Evaluation of alternative institutional frameworks (cont'd)**

| Topic               |                            | Objective  | Option 1 - Harbour authority  | R | Option 2 – Harbour Committee/Office   | R |
|---------------------|----------------------------|--|---|---|---|---|
|                     | Private sector involvement | to promote the input of private sector finance, expertise and management capability          | The Authority could directly engage in a wide range of Public Private Partnerships and joint ventures with private developers in order to attract them to otherwise financially non-profitable developments.  | 1 | Private sector involvement in implementation would be limited to conventional development of individual sites disposed of by government and entrusted works, which might include promenades and piazzas adjacent to private sector developments. Public Private Partnerships would need to be undertaken by individual departments to meet departmental rather than overall Harbour objectives. | 2 |
|                     | Manpower                   | to ensure sufficient manpower with suitable expertise is committed to Harbour implementation | Purpose-made Authority should be able to attract long term expertise of the highest calibre.<br><br>Authority places fewer demands on Government manpower when in operation but the establishment of the authority requires substantial manpower resources. | 1 | Permanent Harbour Office should be able to attract long term expertise of the highest calibre.  | 1 |
| Planning and design | Land use                   | to ensure an appropriate distribution of uses, development and activities                    | Plan-making, development briefs and development control would be undertaken by the Harbour Authority, with decision-making by the Town Planning Board as required by the Town Planning Ordinance..  | 1 | Plan-making and development briefs would be undertaken by Harbour Office, with decision-making by the Town Planning Board as required by the Town Planning Ordinance.   | 1 |
|                     | Integrated design          | to ensure consistency of design throughout Harbour area                                      | Authority could develop its own integrated designs and ensure their implementation according to its own plans and budgets.  | 1 | The committee may have difficulty persuading different implementation agencies such as LCSD, ASD, HD, etc to abandon their house styles and adopt consistent or themed integrated designs appropriate to the Harbour Area.  | 2 |

**Table 8.2 Evaluation of alternative institutional frameworks (cont'd)**

| Topic       |                   | Objective  | Option 1 - Harbour authority  | R | Option 2 – Harbour Committee/Office   | R |
|-------------|-------------------|--|---|---|---|---|
|             | Quality of design | to promote high quality design in public and private sector developments | (See also manpower below)<br>Wide range of measures could be adopted to promote high quality design.  | 1 | (See also manpower below)<br>Wide range of measures could be adopted to promote high quality design.  | 1 |
| Management  | Open space        | to ensure waterfront spaces are attractive to use                        | Authority could bring a fresh approach to developing and managing waterfront open space and promoting appropriate activities on it, without being restricted government regulations on procurement of services.   | 1 | A Harbour Office could acquire the expertise necessary for generating and managing the total open space experience required for a vibrant waterfront, and press for relaxation of current norms and guidelines. | 1 |
|             | Events            | to promote interesting range of activities and events                    | Authority would need to have a section with expertise in planning and managing festivals and events and could attract high calibre expertise for this.  | 1 | Harbour Office could develop expertise in developing programmes of events and activities.   | 1 |
| Realisation | Lead time         | to ensure Harbour Plan implementation can begin urgently                 | The setting up of a development authority could be controversial and would be opposed by elements of the existing system who would feel their own authority being undermined. It would also require legislation, which for such a radical proposal may well be a very protracted process. This institutional framework could take several years to establish. | 2 | As it is based on existing practices and does not require legislation, this institutional framework could be functioning within months.   | 1 |

**Table 8.2 Evaluation of alternative institutional frameworks (cont'd)**

| Topic |                          | Objective   | Option 1 - Harbour authority   | R | Option 2 – Harbour Committee/Office   | R |
|-------|--------------------------|---|--|---|---|---|
|       | Disruption to government | to minimise upheaval in government operations                     | Establishment of Authority requires legislative action and substantial changes to operations of existing departments. It also creates an additional organisation with which many other departments and agencies will need to deal, thus adding to the overall coordination burden of government. | 2 | This framework requires only internal reorganisation or staff deployment among one or two departments mostly involved in harbour development matters, establishment of new committee and adjustments to various procedures, therefore has minimal impact on ongoing government operations   | 1 |
|       | Timeframe                | to ensure Harbour Plan implementation has a long term perspective | A permanent statutory authority will ensure continued commitment to the Harbour over the long term.  | 1 | This form of structure may not be appropriate for a long term operation of say fifteen years or more. The policy committee system is normally used and is more suitable for one-off problems to be dealt with over the short to medium term. However, if found appropriate following monitoring, the statutory authority option could be pursued later. | 1 |

Note: R = rank

**Table 8.3 Advantage Comparison Diagram for Options 1 and 2**

| Criterion           |                            | Advantage in favour of Option 2 |              |             |          | Neg | Advantage in favour of Option 1 |             |              |            |
|---------------------|----------------------------|---------------------------------|--------------|-------------|----------|-----|---------------------------------|-------------|--------------|------------|
|                     |                            | Compelling                      | Considerable | Significant | Marginal |     | Marginal                        | Significant | Considerable | Compelling |
| Implementation      | Vision                     |                                 |              |             |          |     |                                 | *           |              |            |
|                     | Powers                     |                                 |              |             |          |     |                                 | *           |              |            |
|                     | Resources                  |                                 |              |             |          |     |                                 | *           |              |            |
|                     | Prioritising               |                                 |              |             |          |     |                                 | *           |              |            |
|                     | Coordinating               |                                 |              |             |          |     |                                 | *           |              |            |
|                     | Programming                |                                 |              |             |          | *   |                                 |             |              |            |
|                     | Budgeting                  |                                 |              |             |          |     | *                               |             |              |            |
|                     | Private sector involvement |                                 |              |             |          |     |                                 | *           |              |            |
|                     | Manpower                   |                                 |              |             |          | *   |                                 |             |              |            |
| Planning and design | Land use                   |                                 |              |             |          | *   |                                 |             |              |            |
|                     | Integrated design          |                                 |              |             |          |     |                                 | *           |              |            |
|                     | Quality of design          |                                 |              |             |          | *   |                                 |             |              |            |
| Management          | Open space                 |                                 |              |             |          |     |                                 |             |              |            |
|                     | Events                     |                                 |              |             |          | *   |                                 |             |              |            |
| Realisation         | Lead time                  | *                               |              |             |          |     |                                 |             |              |            |
|                     | Disruption to government   |                                 | *            |             |          |     |                                 |             |              |            |
|                     | Timeframe                  |                                 |              |             |          | *   |                                 |             |              |            |

Note: Neg = Negligible

**Table 8.4 Types of Public Private Partnership**

| Type                             | Characteristics  | Application in Harbour Area  | Benefits  |
|----------------------------------|--|--|---|
| <i>Operation and Maintenance</i> | Government contracts with a private partner to operate and maintain a publicly owned facility.   | Maintenance and operation of promenades, parks/open spaces, landscaped areas, arenas, recreation facilities and parking facilities | <ul style="list-style-type: none"> <li>• potential service quality and efficiency improvements</li> <li>• cost savings</li> <li>• ownership vests with local government</li> </ul>  |
| <i>Design-Build</i>              | Government contracts with a private partner to design and build a facility that conforms to specified standards and performance requirements. Once the facility has been built, government takes ownership and is responsible for the operation of the facility.   | Development of recreation facilities, performance venues, museums and other government facilities.                                 | <ul style="list-style-type: none"> <li>• access to private sector experience</li> <li>• opportunities for innovation and cost savings</li> <li>• opportunities for increased efficiency in construction</li> <li>• reduction in construction time</li> <li>• increased risk placed on private sector</li> </ul>   |
| <i>Turnkey Operation</i>         | Government provides the financing for the project but engages a private partner to design, construct and operate the facility for a specified period of time. Performance objectives are established by government and the public partner maintains ownership of the facility. This form of public private partnership is applicable where government maintains a strong interest in ownership but seeks to benefit from private construction and operation of a facility. | Development of recreation facilities, performance venues, museums and other government facilities.                                 | <ul style="list-style-type: none"> <li>• places construction risk on the private partner</li> <li>• transfer of operating obligations can enhance construction quality</li> <li>• increased efficiency in construction</li> <li>• increased efficiency in operation of the facility</li> <li>• construction can occur faster through fast-track construction techniques such as design-build</li> </ul> |

**Table 8.4 Types of Public Private Partnership (cont'd)**

| Type                          | Characteristics   | Application in Harbour Area   | Benefits   |
|-------------------------------|---|---|--|
| <i>Build-Transfer-Operate</i> | Government contracts with a private partner to finance and build a facility. Once completed, the private partner transfers ownership of the facility to government. Government then leases the facility back to the private partner under a long-term lease during which the private partner has an opportunity to recover its investment and a reasonable rate of return | Development of revenue earning government facilities such as recreation facilities, performance venues, museums, etc. | <ul style="list-style-type: none"> <li>• construction, design and architectural savings, and likely long-term operational savings</li> <li>• government maintains ownership of the asset</li> <li>• government maintains authority over the levels of service(s) and fees charged</li> <li>• government control of operational performance, service standards and maintenance</li> <li>• ability to terminate agreements if service levels or performance standards not met</li> </ul> |
| <i>Build-Own-Operate</i>      | Government contracts with a private partner to build, own and operate a new facility in perpetuity. The private partner generally provides the financing.   | Development of revenue earning facilities such as recreation facilities, performance venues, etc.                     | <ul style="list-style-type: none"> <li>• no government involvement in either providing or operating the facility</li> <li>• government can regulate the private sector's delivery service private sector operates the service in the most efficient manner, both short-term and long-term</li> <li>• no government financing is required</li> <li>• long-term entitlement to operate facility is incentive for developer to invest significant capital</li> </ul>                      |



## **Appendix H      Examples of Harbour Authorities overseas**

### **H1      Toronto Waterfront Revitalization Corporation**

#### **H1.1      Background**

- H1.1.1 The City of Toronto, the Province of Ontario and the Government of Canada are joining forces to create the new Toronto Waterfront Revitalization Corporation. The waterfront initiative is a long-term project to renew Toronto's 46-kilometre waterfront by cleaning up contaminated areas, improving lake water quality, expanding parklands and public spaces for community enjoyment, adding to the city's housing stock, creating mixed-use zones where the new economy can thrive and improving the transportation network that links the area together.

#### **H1.2      Mandate**

- H1.2.1 The mandate of the Toronto Waterfront Revitalization Corporation will be to create a clean, green, vital, accessible and beautiful waterfront that will be enjoyed by city residents, and welcome tourists and visitors from around the world. The corporation's objectives will be to enhance public use of the waterfront and contribute to the economic growth of the city while managing the development of new business and residential communities.

#### **H1.3      Powers**

- H1.3.1 The corporation will have all the usual powers of a corporation, including the power to buy, sell and lease land and assets, enter into binding contracts and raise funds through responsible use of corporate financial tools. Governments will retain jurisdiction over all public policy issues.

#### **H1.4      Resources**

- H1.4.1 Last October, the three governments announced their commitment to contribute \$Can1.5 billion (\$HK7.5 billion) to launch the initiative. The renewal project will be an innovative public/private partnership in action. The new corporation is expected to become self-sufficient by leveraging the initial government investment and developing new revenue sources.

#### **H1.5      Structure and process**

- H1.5.1 To carry out its mandate, the new corporation will prepare a detailed development plan and business strategy for approval by all three governments. The three governments will appoint the Board of Directors and the Chief Executive Officer. The three governments will enter into a legally binding agreement outlining the

principles of government involvement in the corporation and the means of exercising government responsibilities to oversee the board. Governments will ensure that the Board of Directors accomplishes its mandate in a prudent, financially accountable manner which minimizes government liability and risk through regular financial reviews, performance reporting, and regular and special audits.

- H1.5.2 The corporation will engage the public in the normal course of business and work closely with stakeholder groups affected by the development plan. The plan will come forward to City Council to be debated in public, providing citizens the opportunity to define how one of Toronto's most valuable assets can be transformed to enhance everyday life in the city. The corporation would hold annual public meetings to present its annual reports.

## **H2 Waterfront Development Corporation Limited, Halifax Nova Scotia**

### **H2.1 Background**

H2.1.1 The waterfronts of Halifax and Dartmouth have undergone a remarkable transition since the late 60's. While Halifax Harbour has always played an important role in the life of Metro residents, the advent of containerized shipping, bridge construction, and suburban development shifted the commercial and recreational focus away from the city's waterfronts. Various revitalization studies were undertaken, and in 1976, with the creation of the Waterfront Development Corporation Limited (WDCL), work began in earnest to bring back the waterfront.

### **H2.2 Mandate**

H2.2.1 To serve as guardians of Greater Halifax Harbour and to develop properties, coordinate, plan, promote and act as the provincial agent to assist other Nova Scotian waterfronts, including:

- Property acquisition, management and development within designated areas in Bedford, Halifax and Dartmouth.
- Marketing and promotion designed to attract public use of the waterfronts.
- Coordination and planning of the waterfronts of Bedford, Dartmouth and Halifax including the stewardship of harbour front assets owned by the province.

### **H2.3 Resources**

H2.3.1 WDCL, a provincial crown corporation, was originally funded by the government of Nova Scotia and the Government of Canada on a 20-80 cost share basis, but is now reliant on its own resources and some support from the Government of Nova Scotia. To date, about \$Can50 million (HK\$250 million) have been spent on both sides of the harbour for planning, land acquisition, underground utilities, imaginative streetscapes, parking lots, public parks, and demolition of derelict structures.

### **H3 Sydney Harbour Foreshore Authority**

#### **H3.1 Background**

H3.1.1 Sydney Harbour Foreshore Authority was established on 1 February 1999, and has taken over the functions of the former City West Development Corporation, Sydney Cove Authority and Darling Harbour Authority. SHFA is responsible for protecting and enhancing the natural and cultural heritage of Sydney's inner harbour foreshore. Its business centres on property management and development, heritage conservation, urban consolidation and tourism.

#### **H3.2 Mandate**

H3.2.1 The Sydney Harbour Foreshore Authority was gazetted on 1 February 1999 to:

- Protect and enhance the natural and cultural heritage of Sydney's harbour foreshore
- Manage and promote economic development
- Provide and promote facilities and activities for education, commerce, culture, tourism, recreation, entertainment and transport
- Develop and manage foreshore land
- Improve, manage and encourage use of the public domain
- To continually improve Sydney's significant waterfront precincts, balancing visitor, community and commercial expectations

#### **H3.3 Resources**

H3.3.1 SHFA is the second largest landowner in the City of Sydney. Its combined assets have a conservative market value of \$Aus3.5 billion (HK\$13.4 billion) and income from property sales and leasing amounts to approximately \$148 million per annum. Excluding land sales, SHFA has a future base revenue of more than \$Aus100 million (HK\$380 million).

H3.3.2 Land owned by the Authority is classified as either core land, non-core land or managed land. The Authority cannot dispose of the freehold of core land, although it can grant leases of up to 99 years on these lands. The Authority may dispose of its freehold interest in non-core land should it desire. It may also manage land on behalf of other organisations.

#### **H3.4 Structure and process**

H3.4.1 SHFA is under the control and direction of the Minister for Urban Affairs and Planning, Dr Andrew Refshauge, who is the sole consent authority for strategic foreshore sites. An independent Board oversees SHFA's policies, management, performance and strategies. It comprises the CEO, the Director-General of the Department of Urban Affairs and Planning and five members appointed by the

Minister for Urban Affairs and Planning. Each of the divisions is responsible for actioning the principal functions of the Authority as defined in the Sydney Harbour Foreshore Authority Act, 1998 and complying with the SHFA Regulations, 1999.

## **H4 Docklands Authority, Melbourne**

### **H4.1 Background**

H4.1.1 The Docklands Authority was formed in 1991 to promote, encourage and co-ordinate the successful development of Melbourne Docklands as a waterfront place of character and quality in which to live, work and visit, and to create a tourism asset and boost to Victoria.

### **H4.2 Mandate**

H4.2.1 Major functions of the Docklands Authority are:

- To develop the Docklands area.
- To promote and encourage the involvement of the private sector in that development.
- To oversee and co-ordinate the development by others of the Docklands area.
- To investigate development options and prepare and implement development strategies.
- To investigate infrastructure options and prepare and implement plans for infrastructure co-ordination.
- To take, support or promote measures to encourage people to live and work in the area.
- To take, support or promote measures to create an attractive environment.
- To encourage appropriate public involvement in Docklands.
- To promote, assist in and co-ordinate the economic, cultural and social development of the Docklands area.
- To promote tourism for the benefit of the Docklands area.
- To promote recreational, social and cultural activities in or for the benefit of the Docklands area.

### **H4.3 Five to Ten Year Outcomes**

#### *High quality design and public amenity*

H4.3.1 To ensure that Melbourne Docklands is an attractive place of high quality design that celebrates Melbourne's heritage and character, with particular emphasis on the water.

#### *Integration with Melbourne*

H4.3.2 To ensure that Melbourne Docklands is an integrated community that complements central Melbourne further enhancing the city's viability, vitality and culture. Integration will ensure the development will not compete with services and amenities offered in the Central Business District.

*Successful investment and key projects*

- H4.3.3 To create and commit with developers significant market-driven, viable projects benefiting Victoria up to the value of \$Aus 3 billion (HK\$11.5 billion) over a 5 year period, with minimal residual risk to Government.

*Prudent asset and financial return*

- H4.3.4 To achieve a product financial return for the Authority and the State of Victoria, based on agreed measures, through the maintenance of appropriate borrowing ratios and a positive balance sheet.

*Attract people*

- H4.3.5 To create an appealing destination which will attract Victorians and interstate and overseas visitors.

*Thriving community*

- H4.3.6 To create a thriving community in Docklands as a integral part of central Melbourne.

*Rewarding experience*

- H4.3.7 To assist all stakeholders to achieve their objectives.

## **Information Note**

### **An Overview of Selected Overseas Harbour Authorities**

#### **PURPOSE**

- This information note summarises the preliminary findings of our previous desk-top research on selected overseas harbour authorities.

#### **BACKGROUND**

- The Harbour Plan Study completed in 2003 has reviewed the institutional mechanism for waterfront development in Hong Kong. It concluded that the magnitude of problems and harbour-front task did not warrant a new statutory authority and that a non-statutory high level Harbour Committee, with better inter-disciplinary co-ordination throughout the harbour development process, was recommended.
- Since then, a desk-top research on overseas harbour authorities has been undertaken by Planning Department to gather further information on this subject.

#### **FINDINGS**

- The research reveals that the concept of “harbour authority” frequently quoted by different sectors of the community in recent years is over-generalised. As a matter of fact, there are vastly different approaches in terms of institutional setup in different cities in harbour development. Even though “harbour authorities” have been created, their functions, business focuses and roles in harbour planning and development vary significantly from city to city.
- While harbour authorities are generally financially independent, their forms of finance may vary. Some of them receive government funding. For self-financed authorities, some of them have power to dispose land but some have to rely on revenues generated from leasing of properties.
- Generally, the work of a harbour authority is overseen by a management board, with members appointed by different levels of government.



- In some cases, harbour authorities are established to overcome the coordination problems in a hierarchical setup prevailing in most federal government structure. In such cases, the power of the relevant municipal government may be taken away by the upper level government, e.g. provincial or even federal, which exercises direct influence of the harbour.
- Broadly speaking, harbour authorities may be classified into 3 categories, viz. port authority, redevelopment corporation and multi-functional authority.

### *Port Authority*

- The authority is established primarily to deal with port and navigational affairs of the harbour.
- While such authorities enjoy much autonomy in port development like cargo terminals and maritime facilities, they generally play a limited role in the overall urban planning and urban design. Their land use planning objectives would generally focus on optimising the use of the land to maintain their competitiveness in the port and shipping industry and maritime trade.
- This is a common form of harbour authorities in many port cities in USA, Canada, Singapore (Maritime and Port Authority of Singapore) and Malaysia (Port Klang Authority).
- A more detailed account of the Vancouver Port Authority (VPA) <sup>1</sup> is given in **Annex I**. VPA was one of the port authorities established in 1999 under the Canada Marine Act, which was adopted by the Parliament to create competitive, efficient and commercial oriented port authorities for Canada.

### *Redevelopment Corporation*

- The authority is mainly responsible for undertaking comprehensive redevelopment or regeneration of defunct docklands or derelict wharf areas.
- This kind of redevelopment authorities, operating as a corporation, usually have the power to purchase, sell, lease and manage lands in the designated docklands

---

<sup>1</sup> In December 2007, the federal government issued a "Certificate of Amalgamation" to combine VPA, the Fraser River Port Authority and the North Fraser Port Authority as one single port authority known as "Vancouver Fraser Port Authority" with effect from 1 January 2008.

areas and undertake comprehensive redevelopment according to development plans and business strategies approved by the relevant levels of the government. Whilst they have the usual power that a corporation has, their jurisdiction is limited to the docklands areas or certain parts of the harbour-front in need of regeneration which adopts a corporation approach.

- Such redevelopment corporations can be found in Toronto (Toronto Waterfront Revitalization Corporation), Melbourne (Docklands Authority), London Docklands (London Docklands Development Corporation).
- In the case of Cardiff, Wales, the Cardiff Harbour Authority (CHA) (**Annex I**) was formed in 2000 as one of the successors of the Cardiff Bay Development Corporation. In addition to managing the Barrage<sup>2</sup> which is a catalyst project of regenerating the old docklands of Cardiff and Penarth, CHA also assumes the role of a harbour master controlling vessel movements, ensuring safety and navigation and making bylaws.

### ***Multi-functional Authority***

- The business scopes and roles of such authorities in harbour planning and development are perhaps the most comprehensive, as in the case of Sydney (Sydney Harbour Foreshore Authority (SHFA)) and San Francisco (Port of San Francisco (PSF)) (**Annex I**).
- In Sydney, SHFA is the largest single landowner who is involved in ownership, disposal, development, management and preservation of harbour-front sites. Similarly, PSF of San Francisco has a wide business scope covering land use planning, real estate development, shipping activities and maintenance of port facilities. Despite this, the powers of such multi-functional authorities are not unrestrictive. While SHFA is in charge of the iconic precincts in the harbour foreshore area, it is under the control and direction of the NSW Minister of Planning. Although PSF has a wide range of discretionary functions over the port area, the usage and development of the port land is restricted by other entities or regulations applicable to the city and non-maritime development. Besides, PSF is operating as a government department within the City and County of San Francisco.

---

<sup>2</sup> Cardiff Bay is a sheltered inlet covering about 200 ha on the Bristol Channel at the mouths of Rivers Taff and Ely. The Cardiff Bay Barrage is a major civil engineering construction project to create a freshwater lake with over 13km of waterfront. The Barrage, which includes locks and bridges, sluice gates and a fish pass, is 1.1km long and extends from Cardiff docks in the north and Penarth in the south.

## CONCLUSION

- Different institutional arrangements are adopted in overseas countries to suit their respective situations, with some being port or project oriented and some being multi-functional. However, none of them is created solely for harbour-front management. Their experiences should serve as a reference at the most, rather than as a model for us to follow suit.
- Any changes to the management setup for our harbour-front must have regard to our own case.

**Planning Department**

**April 2008**

**Comparison of Selected Overseas Harbour Authorities**

|                      | <b>Vancouver Port Authority (VPA)</b>   | <b>Cardiff Harbour Authority (CHA)</b>  | <b>Sydney Harbour Foreshore Authority (SHFA)</b>  | <b>Port of San Francisco (PSF)</b>   |
|----------------------|---|---|---|--|
| <b>Background</b>    | <ul style="list-style-type: none"> <li>• Formed in 1999 under the Canada Marine Act</li> <li>• Controlling 500 ha of land, 6,000 ha of water along 233 km of coastline</li> </ul> | <ul style="list-style-type: none"> <li>• Formed in 2000 as one of the successors of Cardiff Bay Development Corporation under Section 165 Agreement signed under the terms of the Local Government, Planning and Land Act 1980</li> <li>• Controlling the Oval Basin, Graving Docks, a carpark, the Barrage, some land parcels on the western side of River Ely, the outer harbour, a portion of the seabed at the Bay and parts of the beds of Rivers Taff and Ely (exact amount of land and water area under the jurisdiction of the CHA is not available)</li> </ul> | <ul style="list-style-type: none"> <li>• Formed in 1999 under the Sydney Harbour Foreshore Authority Act 1998)</li> <li>• Being one of the biggest landholders in Sydney, with over 400 ha of Sydney's most significant waterfront locations</li> </ul> | <ul style="list-style-type: none"> <li>• Being a department of the City and County of San Francisco, overseen by the Port Commission established under the Burton Act in 1968</li> <li>• Controlling 400 ha of land with a waterfront length of 12.5 km</li> </ul> |
| <b>Main function</b> | <ul style="list-style-type: none"> <li>• Administering the Port to meet its business &amp; operational needs</li> </ul>   | <ul style="list-style-type: none"> <li>• Management &amp; operation of the Barrage and other Bay structures (the Barrage project is the catalyst of</li> </ul>  | <ul style="list-style-type: none"> <li>• Preserving &amp; enhancing the natural/cultural heritage of Sydney's inner harbour foreshore</li> </ul>  | <ul style="list-style-type: none"> <li>• Planning &amp; managing the port area to promote a balance of maritime, recreational, industrial,</li> </ul>  |

|                               | Vancouver Port Authority (VPA)  | Cardiff Harbour Authority (CHA)   | Sydney Harbour Foreshore Authority (SHFA)   | Port of San Francisco (PSF)   |
|-------------------------------|---|---|---|---|
|                               |   | <p>regeneration of the old docklands)</p> <ul style="list-style-type: none"> <li>• Maintenance &amp; monitoring of water and other environmental standards in the Bay and its margin</li> <li>• Promotion of the Bay as a recreational and business asset</li> </ul>  |   | transportation and commercial activities  |
| <b>Business focus / Roles</b> | <ul style="list-style-type: none"> <li>• Committed to the efficient and reliable movement of goods &amp; passengers through the Port</li> <li>• As a port entrepreneur/ operator - responding to market needs, controlling vessel movement etc.</li> <li>• As a land manager/ real estate agent - processing land exchanges, acquisitions &amp; dispositions</li> <li>• As a planner - preparing a comprehensive Port land use plan to set out the land use objectives and policy directions (covering cargo/ passenger terminals, port service &amp; marine uses,</li> </ul> | <ul style="list-style-type: none"> <li>• Meet statutory obligations as set out in the Cardiff Bay Barrage Act and those associated with its status as Harbour Authority</li> <li>• Ensure no flooding, achieve best environmental standards</li> <li>• Contribute to the well being of the Severn Estuary &amp; associated environs</li> <li>• Make efficient use of asset, maximise stakeholders' benefits</li> <li>• Achieve &amp; maintain public confidence in the Bay, the Barrage &amp; the Harbour Authority</li> <li>• As a regulator - appointing a</li> </ul> | <ul style="list-style-type: none"> <li>• Property management &amp; development, heritage conservation, urban renewal, tourism</li> <li>• Being a place maker : <ul style="list-style-type: none"> <li>- as a manager of : <ul style="list-style-type: none"> <li>- places (The Rocks, Darling Harbour, etc)</li> <li>- assets of inner Sydney Harbour foreshore area</li> <li>- heritage buildings/ structures,</li> <li>- land sales &amp; acquisitions</li> <li>- tenancies (&gt;500 tenancies, mostly retail)</li> </ul> </li> <li>- as a marketing manager/ event organiser to</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• Maritime : managing &amp; marketing maritime industries, shipping, harbour excursion, harbour service</li> <li>• Real estate : asset management, leasing property, tenancy management</li> <li>• Planning &amp; development : preparing land use plan, management of development projects</li> <li>• Engineering &amp; maintenance : construction and management of port facilities</li> </ul> |

|  | <b>Vancouver Port Authority (VPA)</b>   | <b>Cardiff Harbour Authority (CHA)</b>  | <b>Sydney Harbour Foreshore Authority (SHFA)</b>   | <b>Port of San Francisco (PSF)</b> |
|--|---|---|--|------------------------------------|
|  | <p>port waterfront uses)</p> <ul style="list-style-type: none"> <li>• As an investor <ul style="list-style-type: none"> <li>- making investment decision for VPA development</li> <li>- creating subsidiaries for non-core activities (with or without private sector)</li> </ul> </li> </ul> | <p>harbour master, controlling vessel entry/movement, making &amp; enforcing bylaws, maintaining lights/buoys, setting fees, etc.</p> <ul style="list-style-type: none"> <li>• As an operator of the Barrage, its locks, sluice gates and fish pass, etc.</li> <li>• As a manager of Inland Bay and outer harbour <ul style="list-style-type: none"> <li>- meeting water quality standards</li> <li>- ensuring availability of outer harbour for transit vessels &amp; as refuge for shipping</li> <li>- fostering flora &amp; fauna,</li> <li>- licensing for fishing &amp; other purposes</li> </ul> </li> <li>• As a promoter of water use/organiser of attraction events <ul style="list-style-type: none"> <li>- licensing for hire craft, houseboats, watertaxi promoting water based festivals &amp; facilitating water sports, etc.</li> </ul> </li> <li>• As a planner <ul style="list-style-type: none"> <li>- reviewing development</li> </ul> </li> </ul> | <p>promote places</p> <ul style="list-style-type: none"> <li>- as a developer : <ul style="list-style-type: none"> <li>- creating environment</li> <li>- redeveloping surplus government land &amp; regenerating old waterfront areas</li> </ul> </li> <li>- facilitating master planning &amp; development of the Authority's sites &amp; assets</li> </ul> |                                    |

|                             | Vancouver Port Authority (VPA)  | Cardiff Harbour Authority (CHA)  | Sydney Harbour Foreshore Authority (SHFA)   | Port of San Francisco (PSF)   |
|-----------------------------|---|--|---|---|
|                             |   | <p>potential of Oval Basin, Graving Docks, the Barrage and other land parcels it owns</p> <ul style="list-style-type: none"> <li>- maximising opportunities for recreational use of the Bay</li> </ul>                                   |   |   |
| <b>Financing</b>            | <ul style="list-style-type: none"> <li>• Being a self-financed for-profit corporation (paying stipend (a portion of gross revenue) to the federal government and making property tax payment to adjacent municipalities), with revenues from leasing and use of federal port land</li> <li>• May borrow commercial loans</li> <li>• May create subsidiaries for non-core business (with or without private sector)</li> </ul> | <ul style="list-style-type: none"> <li>• Government (to cover any deficit arising from operating and maintaining the Barrage and the Bay and compliance with the Barrage Act, and the income generated by the use of the Bay)</li> </ul> | <ul style="list-style-type: none"> <li>• Self-financed (with power to dispose/acquire land &amp; own commercial assets)</li> </ul>  | <ul style="list-style-type: none"> <li>• Self-financed (mainly relying on leasing of property, cannot dispose land for which the State of California maintains a sovereign interest)</li> </ul>     |
| <b>Organisational Setup</b> | <ul style="list-style-type: none"> <li>• Accountable to the Federal Minister of Transport, Infrastructure and Communities</li> <li>• Board of Director, comprising :</li> </ul>   | <ul style="list-style-type: none"> <li>• Being part of the Cardiff County Council (under the service area of "Project Design and Development" which is within the portfolio of the Special Projects</li> </ul>                           | <ul style="list-style-type: none"> <li>• Subject to control &amp; direction of NSW Minister of Planning</li> <li>• Managed by Sydney Harbour Foreshore Authority Board :</li> </ul> | <ul style="list-style-type: none"> <li>• Being a department under the City and County of San Francisco</li> <li>• Work overseen by the Port Commission with 5 commissioners appointed by</li> </ul> |

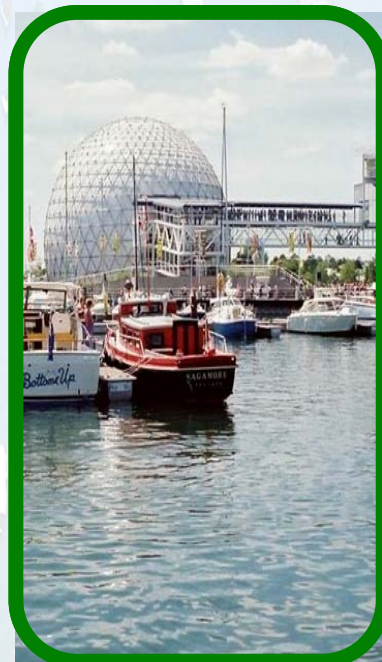
|  | <b>Vancouver Port Authority (VPA)</b>  | <b>Cardiff Harbour Authority (CHA)</b>   | <b>Sydney Harbour Foreshore Authority (SHFA)</b>   | <b>Port of San Francisco (PSF)</b> |
|--|--|--|--|------------------------------------|
|  | <ul style="list-style-type: none"> <li>- 9 members appointed by Government</li> <li>- 3 standing Committees, viz. Audit Committee; Human Resources and Compensation Committee; Governance Committee</li> </ul> | <p>Director of the Council)</p> <ul style="list-style-type: none"> <li>• 3 Operational Managers (for the Barrage, Harbour Authority and Environment) are appointed to assist the Chief Officer of the “Project Design and Development” service area</li> </ul> | <ul style="list-style-type: none"> <li>- comprising CEO, Director General Department of Planning and 5 people (max.) appointed by the Minister</li> <li>- under CEO, 4 Executive Directors (for 4 divisions, viz. Tenant &amp; Asset Management; Major Projects; Corporate Services; Marketing and Visitor Services) and 2 General Managers (for the Rocks &amp; Darling Harbour) are appointed to carry out the functions of the Authority</li> </ul> | <p>the Mayor of the City</p>       |



# Managing the Vision

## Organisational Structures & Harbourfront Management

A Discussion Paper  
March 2008



## **Contents**

|   |    |
|---|----|
| Executive Summary .....                     | 2  |
| 1     Introduction .....                    | 3  |
| 2     International Experience .....        | 7  |
| 3     Hong Kong Institutional Context ..... | 14 |
| 4     Possible Options for Hong Kong .....  | 20 |
| 5     Conclusions .....                     | 25 |

## **Annexes**

|                                    |  |
|------------------------------------|--|
| Annex 1     International Examples |  |
|------------------------------------|--|

## **EXECUTIVE SUMMARY**

The objective of this discussion paper is to provide a possible framework within which Government might review potential options for organisational structures and management arrangements to enable the optimal implementation of harbourfront planning and development in Hong Kong. It explores the need for a clearly expressed and understood vision for the harbour and reviews some of the concerns expressed by both civil society and the business community in respect of the current situation, particularly the lack of certainty as to how major harbourfront proposals can and should be taken forward and avoid the delays which have resulted.

The paper reviews the background to waterfront development both in Hong Kong and overseas and analyses the approach taken to organisational structures by some of the cities boasting world renowned waterfront areas. Whilst some of these approaches may not be directly suitable for or applicable to Hong Kong, their commonality is their focus on a single entity with the powers needed to pull together different levels and functions of government and to harness the support of the community to facilitate the formulation, delivery and management of an agreed and documented vision.

The paper concludes by putting forward both interim and longer term proposals - a non-statutory Steering Committee comprising Government officials and private sector representatives with policy backing to coordinate/consolidate planning and development proposals around the harbour to be followed by the establishment of a more formally constituted harbour agency. However, it also suggests that a thorough review of the existing planning and development framework might be helpful prior to putting in place any permanent new administrative structure.

# **1 INTRODUCTION**

## **1.1 Objective of the Paper**

This discussion paper has been prepared to provide a framework for further review by Government as to potential options in terms of organisational structures and management arrangements for the optimal implementation of harbourfront planning and development in Hong Kong. It seeks to explore different organisational structures and arrangements which could be adopted, to analyse their impact on the success or otherwise of waterfront planning and development and, in addition, investigates the best of international experience and draws upon this to further review what might be appropriate in the context of Hong Kong. It asks what kind of arrangements might be most beneficial for the evolution and delivery of a comprehensive Victoria Harbour Vision and how this might be incorporated into the system of Hong Kong governance.

## **1.2 The Vision**

Before considering delivery or implementation structures and arrangements, it is necessary to agree on the ultimate vision as this very much drives the type of institutions required firstly to ensure its initial achievement and secondly to ensure its continued sustainability.

For the purposes of this paper the following is the vision adopted and the rationale which underlies such a vision:

The harbour should be a showcase for Hong Kong's high degree of social, economic, environmental and cultural vibrancy and the quality and sustainability of the public realm surrounding the harbour is fundamental to delivering such a showcase.

An attractive, accessible and lively harbourfront will add to the wellbeing and quality of life of the city and its citizens, act as a draw to increasing numbers of visitors and tourists and be a magnet for the world class human resources essential to the city's continued economic success. A world class harbourfront is increasingly being

recognised by both business and the public as an important objective for Hong Kong in order to maintain the city's competitiveness and uniqueness in an ever expanding global environment.

### **1.3 Harbour Planning and Development in Hong Kong**

Currently harbour planning and development in Hong Kong is undertaken by many government and private sector agencies, all with different agendas and objectives. There is no overarching policy or strategy for the harbour although there are several "visions". This fragmentation and lack of coordination have led to delays in development approvals and implementation which some sections of the business community, particularly the development community, have found frustrating and see as having a potentially adverse impact on the economic performance of the city due to extended under-use of valuable public land resources.

A second concern which applies more generally to the planning of new developments in Hong Kong, relates to urban design and planning standards with building heights, the "wall effect", heritage conservation, building densities and the insufficiency of open spaces and parks both along the waterfront and in the urban areas generally all being topics of significant debate over recent months.

Some see the community concerns simply as a growing, and in a maturing society an understandable, interest in improved standards of living and a better quality of life. Both views have substance and it will be important for a balance to be found whereby essential infrastructure and developments which adhere to high standards of urban design can proceed in a timely manner while taking due account of community concerns in their planning, layout and construction.

The business sector likes certainty – the knowledge that a plan or a policy once approved will be taken forward without material change. It has been the recent lack of certainty, as much as, if not more than, the delays, that has led to the current disquiet at the apparent failures of our existing organisational structures and systems in so far as waterfront projects are concerned. Public expectations

regarding planning standards and urban design, the balance between economic and financial considerations on the one hand and quality of life issues on the other and the role of the community in setting and deciding these parameters has changed over the last 10 years. Several major projects have become hostage to these changes as the type and extent of public engagement has fallen short of what is now expected; hence plans that were thought to be “certain” have had to be revisited due to pressure from various sectors of the community and this has caused not only delays in the implementation process but also uncertainty as to the eventual outcome.

In order to reconcile these areas of concern many in the business sector have come to the view that it may be preferable to put in place organisational structures, systems, policies and arrangements which, while they may make the upfront planning of major projects more protracted, should lead to more certainty in the long run. Such arrangements could include early, widespread and ongoing public engagement on the scope and scale of potential projects, recognition and genuine consideration of the comment and feedback received together with organisational structures and policy initiatives to support such an approach.

As stated in the Planning Department’s Harbour Plan Study completed in 2003 (the 2003 Study), realisation of any vision for the harbour will involve high level planning, design, management and co-ordination with the necessary authority and driving force to secure implementation together with the mechanisms and procedures to overcome constraints and address issues.

Waterfront development is more than just creating a vision for a place or a neighbourhood - it must also address the political and financial aspects of planning and development, and ongoing management and maintenance issues, to have any hope of success.

The question as to precisely what institutional or structural and organisational arrangements are necessary to guide the ongoing design and development of the harbour towards success is a critical one.

As expressed in the 2003 Study, in the Planning Department's view the key requirements of an effective agency to guide the implementation of a harbour plan can be summarised as follows:

- Strong vision to ensure implementation is pursued with vigour and imagination
- Correct focus for setting appropriate priorities between competing demands
- Sufficient powers and authority to achieve effective action directly, by coordinating other organisations, or by partnership with the private sector
- Sufficient financial resources to respond adequately to harbour needs
- Appropriate manpower resources and expertise to ensure high quality design of buildings and open spaces

Its main areas of work would be:

- Better integration of existing functions which are currently administered under a multi-departmental system
- New functions such as business development, marketing, promotion, etc
- Acting as a central point of contact to facilitate private sector involvement

## **2 WATERFRONT DEVELOPMENT: THE INTERNATIONAL EXPERIENCE**

Waterfront development is a complex challenge for many cities around the world and the past 40 years or so of waterfront development experience provides case studies of both successes and failures. All successful waterfront development initiatives share certain characteristics, although the institutional mechanisms may vary from one to another. Successful examples can be found where sponsoring governments have been able to deal with the complicated political, financial and design challenges that waterfront development poses and have managed to move from a broadly inclusive vision through to pro-active implementation. However, in other instances, specific and dedicated agencies have been required in order to pull together all the various stakeholders and deliver an acceptable and successful waterfront plan.

As part of the research for this paper, the experience of other cities which have well respected and attractive waterfronts has been reviewed so as to understand the organisation and structure which they put in place in order to achieve their success. These included the following cities and full reviews of each are attached as Annex 1:

- Baltimore
- Vancouver
- Toronto
- Sydney
- Melbourne
- San Francisco
- Boston

The key factors of these cities' harbour experiences can be summarised as follows (full details are at Annex 1):

- a) Baltimore
  - Private single purpose corporation;
  - Level of insulation from city; and
  - Private / politically neutral executive head.



- b) Vancouver
  - Strong framework of private / public collaboration;
  - Development approvals granted by appointed officials;
  - Strong engagement of community;
  - Process controlled by City Planning Department which advises Council and guides growth and change.
- c) Toronto
  - Result of a Task Force Report geared to a very comprehensive and holistic development (culture, housing, employment, mass transit etc.);
  - Board of Directors and appointed Chair; and
  - Geared to excellence in urban design.
- d) Sydney
  - Harbour Foreshore Authority amalgamated functions of several individual bodies;
  - Responsible for most historically and culturally significant locations;
  - Owns sites and manages property;
  - Must balance community, commercial, heritage objectives; and
  - Provides Place and Project Management.
- e) Melbourne
  - Vic Urban is a statutory authority and Victoria's biggest land developer (very different in scale to Hong Kong);
  - Required to achieve multiple objectives within commercial framework; and
  - International standard place management services.
- f) San Francisco
  - Port Authority financially independent;
  - Oversees broad range of commercial, maritime and public activities, port uses, and tourism (Fisherman's Wharf);
  - Well-educated and opinionated citizenry; and
  - Community-based waterfront planning process with Advisory Board from all walks of life.
- g) Boston
  - All planning in the city comes under Boston Redevelopment Authority;
  - Serves as renewal body, industrial development corporation and planning board; and
  - Important downtown landowner

In addition to its own research, HBF has also had regard to recent academic analysis of the institutional experience. In an article which formed part of *Remaking the Urban Waterfront* (published in 2004 by the Urban Land Institute) Professor David L.A. Gordon, an established authority on urban and waterfront planning from the School of Urban & Regional Planning, Queen's University, Kingston, Ontario noted that there are some fundamental lessons that can be learnt about how institutional arrangements have been devised to suit the needs and circumstances of different cities. Amongst Gordon's core lessons is the idea that implementing waterfront development projects is far more difficult than planning for them and that this requires a dedicated waterfront development agency of some kind – whether it be an independent authority, an inter-department task force or public/private partnership.

Gordon makes the point that the challenge of delivering the vision is great and requires a key driver to direct the work over difficult hurdles and a process by which change is understood and desired. Gordon states that agencies that possess certain characteristics and follow best practices achieve faster project implementation. Whilst he highlights three major areas that waterfront agencies must address – Political, Financial and Urban Design – of most consequence for the consideration of this paper is how relevant government authorities deal with the political or structural aspects.

In Gordon's view it is essential for a waterfront agency, in its various forms, to have good relations with (and create no surprises for) the relevant city or regional government. This can be best assured if the agency's officers and board of directors are well connected to all levels of government; however, the political components of waterfront development are such that successful agencies almost always also have very good relations and interaction with local residents - it is not sufficient that the agency only has good connections to one or the other. Further, for successful waterfront development it is essential that private development is linked with public benefit and that Government/Institutional uses are sensitive to aspirations for greater public access to the water's edge.

For the implementation of waterfront redevelopment in Hong Kong these issues are critical and of great consequence.

Gordon makes the further observation – that the best waterfront development examples are those where the local government fully understood the potential consequences of their actions and orchestrated their waterfront development agendas in this light. Indeed the successful examples nearly always develop a broadly inclusive vision of the objectives of waterfront planning before taking any positive action in development terms. This inevitably also includes the engagement of the private sector and the community at large.

Gordon cites the example of the first attempt to develop the London Docklands where the local authorities created a committee to negotiate political agreement for a plan without private sector involvement. The 1976 London Docklands strategic plan had unrealistic development objectives which ultimately led to problems attracting investment. The political aspects of development are often the most difficult for governments but experience has shown that no matter how brilliant a development vision – or a waterfront/harbourfront masterplan – if the political aspects of such development have not been dealt with properly there is little or no hope of success. In Hong Kong this has been a challenge in recent years and one that needs to be further addressed.

Martin Millsbaugh, the former Director of the Baltimore Waterfront Development Corporation, and responsible for the delivery of the famous Baltimore Harbour development, confirms many of Gordon's conclusions. Writing in 2001 in *Waterfronts in Post Industrial Cities* about waterfront "delivery systems" he states that the most successful waterfront development projects have been directed in the implementation, or production, phase by the creation of ad hoc, quasi-public management systems. These systems come into play after the vision or the master plan has been established through the playing out of the earlier phases:

- (a) the initial intuitive drive for a new image;
- (b) the sorting out of land planning and urban design alternatives;
- (c) public review and reaction to the plan and, hopefully;
- (d) authorization through the relevant political/administrative process for the Government to proceed with implementation of the plan.

According to Millspaugh the key to a “delivery system” is to have a mechanism that is able to conduct business like a private entity for the sake of speed and efficiency, but which also remains subject to the policy and fiscal control of public officials. Such an entity can take many forms, depending on the laws and customs of the city and the nation involved. In Baltimore, the solution was a private, single-purpose, no-stock corporation which was contracted to manage the development process as the surrogate of the Mayor and City Council. The contract called for the municipality to pay all of the costs of the corporation’s operation, and for the corporation to turn any profits over to the municipality.

Baltimore’s experience launched a wave of waterfront development around the world as cities began to realize the tremendous potential that could be realized on their water, river and harbour fronts. However, in terms of the organisational structures of the delivery systems there is not a one-model-fits-all. As Millspaugh states such entities take many forms, depending on the laws and customs of the locality and the country involved. However, in general, few municipal governments directly implement waterfront development projects.

Gordon speculates that this may be due to broad concerns about the fiscal and political capacity of such authorities to carry out complex, long-term development projects.

From the HBF research and the views expressed by academics, we can consider several possible institutional waterfront arrangements that have been used in various locations:

- Waterfront development councils;
- Special private for-profit development corporations;
- Public-private development ventures;
- Single-purpose public not-for-profit redevelopment agencies;
- Port authorities; and,
- Quasi-public development corporations.

Waterfront development councils (or committees) are the simplest to establish and are useful for debating initial waterfront development plans. However committees such as London's Dockland Joint Committee and Toronto's Waterfront Regeneration Trust had little success in dealing with complicated urban waterfronts where multiple stakeholders and contentious politics characterized the development situation.

Special private for-profit development corporations – or master developers - have been used on waterfront projects. Olympia and York at London's Canary Wharf and Charlestown Navy Yard Redevelopment in Boston are two examples where master developers were used. Gordon notes however that the sponsoring government may forfeit control of the project and that at times the private interest and public interest may diverge. Olympia and York's bankruptcy in 1992 was a major blow to the credibility of the British Government and of the Canary Wharf development and the financial difficulties of the Toronto Waterfront Corporation which was established in 1976, led to it being dismantled in 2001. In the latter case, a new waterfront agency was established in 2003, the Toronto Waterfront Revitalization Corporation, after several years of negotiation between the federal, provincial and city governments and with very different characteristics to the original entity.

Public-private development ventures are a common mechanism for development in the United States. This method may be appropriate for single waterfront projects with a limited number of phases. The structures of public-private partnerships vary widely – from situations where the public donates land and infrastructure to real estate joint ventures to tax increment financing.

Single-purpose public redevelopment agencies have been used for large-scale British and Canadian waterfront developments. In the United States several port authorities have been, and continue to be, involved in waterfront development. Examples of this can be found in Long Beach, San Pedro, New York, Seattle and San Francisco. Boston's experience in waterfront development is closer to that of the British experience. The state-chartered Boston Redevelopment Authority is controlled by the Mayor of Boston's office and is primarily responsible for the Boston waterfront.

Quasi-public development corporations are proven vehicles for the implementation of waterfront development projects. This kind of corporation may need a level of political insulation from the relevant government authorities to ensure active, broad based support over a long period.

Some of the most effective of these corporations may control waterfront land, have a powerful and independent board of directors, a streamlined development approval process, access to start up capital and freedom from restrictive personnel and budget policies. In addition there is usually an entrepreneurial chief executive who recruits key staff from government and thus pre-empts opposition from technical agencies like transportation and planning departments.

None of these examples will work in all circumstances nor would all of them necessarily be appropriate to the particular governmental structure applicable in Hong Kong. However, they provide a basis for further discussion and debate and an indication of the challenges and issues that need to be addressed when considering the optimum arrangement for any particular jurisdiction or waterfront.

### **3 HONG KONG INSTITUTIONAL CONTEXT**

Historically, the harbour of Hong Kong served a leading role in economic development and that role still prevails. Be it as a fishing village or an international trading hub, Victoria Harbour has provided the needed navigation channel and shelter for all kinds of vessels, and until recent decades associated marine activities have consumed much of the immediate hinterland.

Planning and development of the land and marine elements of the Hong Kong harbour, both of which naturally impact the harbourfront, fall under completely different statutory and administrative jurisdictions. The Transport and Housing Bureau, the Marine Department and the Hong Kong Port Development Council share the responsibilities of strategic planning and development of marine related activities, and the Government administration takes up the daily management. This means that any planning or development proposals along the waterfront that impact on either the primary or secondary function of the harbour will inevitably trigger involvement of departments beyond the jurisdiction of the Secretary for Development – the authority in the context of land-based planning and development.

In addition to the mass of other legislation related to land and building development and management, any plan for Hong Kong's harbour has to take shape within the statutory framework of three major pieces of legislation: the Foreshore and Sea-bed (Reclamations) Ordinance, the Harbour Protection Ordinance and the Town Planning Ordinance.

Protection of the harbour from a "community value" point of view and utilization of the harbour from an economic development perspective may sometimes be complementary but at other times contradictory – a balance is required and, as is often the case in such situations, when there is little involvement in the decision making process by other than Government officials, the public at large does not always accept that both sides of the issue have been given due consideration and weight.

From an organisational perspective, the Foreshore and Sea-bed (Reclamations) Ordinance has a minor influence, given the importance and sensitivity attached to the Harbour Protection Ordinance, which is of significant relevance when considering the planning and development of the harbour districts. The Town Planning Ordinance has no relevance in so far as the waters of the harbour are concerned but is, of course, a very important factor in planning the land areas fronting the harbour edge.

The Town Planning Board, an independent plan making and approval authority but with a Government official as Chairperson and serviced by the Planning Department, is not constituted to undertake any master planning, development delivery or management nor does it have any role in engaging the public on non-statutory planning issues. It is charged with approving or refusing applications in respect of re-zoning of OZP's or changes of land use and, as such, potentially has significant power to influence the type and quality of planning and development in the city. However, although the Board is made up of private sector appointees, the fact that it has a Government official as Chairperson and is serviced by the Planning Department means that some in the community perceive it as being more likely to support the planning status quo than to exercise real influence for improvement.

The ability of the community to now comment on plans submitted to the Board has put it a great deal more in the public eye and greater public involvement has resulted in more of its decisions being tested by referral to Judicial Review. In so far as the strategic planning of the harbour is concerned it may at best safeguard, on behalf of the general public, good planning and design principles by exercising its power to reject proposals. Under current legislation it does not have the mandate to co-ordinate or to implement whatever vision it might share, although it took the initiative in 1999 to draw up its own Vision for Victoria Harbour.

Within the Government administration, it is understood that there has to date been no formal policy co-ordination, not to mention a decision-making structure, that cuts across the policy bureaux and departments when it comes to matters connected with the harbour or the harbourfront. The Committee on Planning, Development and Lands, a top-level steering committee within the Development Bureau, is at most a



co-ordination platform with no conflict resolution function for issues like harbour planning that require input and commitment from other bureaux and departments.

The Planning Department serves as the executive arm of the Town Planning Board in preparation and processing of statutory plans. It also has functions and responsibilities as regards preparation of territorial, sub-regional, district and local plans. However, implementation of planning proposals falls entirely on other Government departments, and the nature of Planning Department's daily business is highly regulatory rather than facilitating in nature.

The Leisure and Cultural Services Department (LCSD) is responsible for implementation and management of cultural and leisure facilities including public open space, museums, libraries; etc. The Lands Department is responsible for disposal of Government land, Government lease administration and the negotiation of land premiums when payable. The Highways Department, Drainage Services Department, Civil Engineering and Development Department are responsible for implementation of most infrastructure projects. And there are many more departments and agencies within the Government tasked with special duties but working on different programmes and agendas. In short, the current institutional framework is highly fragmented and while each individual authority may have a clear role in their own business arena, they have diverse interests and priorities in harbour planning, development and management.

Historically, there has been no shortage of successful examples of effective institutional arrangements that pulled together necessary resources from various Government sectors for a single strategic goal. The New Airport Project Co-ordination Office responsible for works co-ordination for timely delivery of the Chek Lap Kok airport core projects, and the many development offices under the previous Territory Development Department that co-ordinated both planning and implementation of almost all new towns in Hong Kong, are undoubtedly valuable reference points. Subsequently the Steering Committee on Land Supply for Housing, chaired by the Financial Secretary and then the Chief Secretary, was able to monitor and resolve issues relating to territory wide development affected by numerous public and private sector agencies.

Even though efficient and effective, the previous successful institutional models might still fall short in delivering the quality design and management services required for a world-class harbour front and public realm. The design standards adopted in other world class waterfronts far exceed the flexibility allowed within current Hong Kong Government practice, no matter how significant recent improvements have been compared to the past. A major hurdle for adopting high quality designs, especially those which are creative or innovative, is the general concern of public sector implementation agencies as to their future maintenance and management, let alone thorny issues such as wider policy implications and liabilities.

Much of the time, the many agencies playing different regulatory roles are in fact counter acting effective delivery of visionary proposals and high quality non-standard design for good bureaucratic reasons. Even a smooth running building development programme may take some six to seven years from inception to completion. Other possible statutory requirements such as environmental impact assessment and road gazettal could easily absorb two more years, even without unexpected legal proceedings. In the absence of a conflict resolution system, plans can sit in desk drawers for decades.

Agencies like Food, Environment and Hygiene Department, LCSD and Highways Department are by and large providing caretaking services for the public realm, including roads and amenity areas. With all due respect to an experienced programme organizer and event promoter like the LCSD, robust management of a mixed use waterfront is beyond the capacity of any single department within the Government.

It has also to be admitted that a vision for the harbour is not altogether clear from a public perspective although there has been a significant upturn in interest in harbour issues in recent years. Discussion has become more focused and there is greater agreement on general principles, although as yet no majority view, at least amongst major stakeholders.

In Hong Kong, the executive-lead model of Government is commonly accompanied by advisory bodies for effective consultation and engagement of key stakeholders. The Harbourfront Enhancement Committee was established in 2004 as such an advisory body to facilitate and monitor community engagement on harbour planning issues. With members from all walks of life appointed by the Government, the Committee has proven to be a useful platform and arena for a public exchange of views.

However, its work during its first three years was to some extent compromised by the limited and rigid approach to “public consultation” adopted prior to its establishment and the unwillingness of Government to recognise that community attitudes and aspirations have changed since the late 1990’s. As a result projects with which the public acquiesced in 1998 or even 2002, sometimes through lack of information and sometimes due to their greater focus on economic improvement, no longer find favour. There appears to have been an ongoing reluctance on the part of the Administration to review these projects, even though development work might not have commenced, and the HEC, certainly during its initial term was unable to facilitate as many plan amendments as it would have liked. However, the HEC has recently commenced its second term and under this its terms of reference now are as follows:

- (a) Provide feedback to and monitor the reviews on the remaining proposed reclamation with the harbour, namely the Wanchai North and Southeast Kowloon reclamation proposals;
- (b) Advise on the planning, design and development issues including land use, transport and infrastructure, landscaping and other matters relating to the existing and new harbour-front and the adjoining areas;
- (c) Advise on means to enlist greater public involvement in the planning and design of the harbour-front areas; and
- (d) Explore a sustainable framework to manage the harbour-front areas, including public-private partnership.

There are also numerous examples of independent agencies set up with key policy and implementation targets. Properly constituted agencies like the Airport Authority

and the Hospital Authority are examples of agencies which are mandated by the Government, through legislative as well as administrative and financial means, to deliver specific policies and tasks. These agencies possess a high level of independence in daily operation and management, while the government and the general public, to some degree, can monitor and maintain strategic input through various mechanisms provided in the related legislation. The business nature and power of these agencies may vary significantly, but they share the same institutional characteristics – independent statutory body supported by public finance with a clear mandate from the Government. Yet, this model has not been employed for harbour planning and development.

#### **4 POSSIBLE OPTIONS FOR HONG KONG**

The issues facing harbour planning and development in Hong Kong are inter-linked in nature and have resulted in a lack of success on the part of Government in convincing the community that it is committed to improved harbour planning or that it appreciates the value of the harbour as an important natural public asset which should be enjoyed by all.

This is largely due to the following factors:

- Most of the public engagement exercises in Hong Kong involving harbour plans have, to date, involved projects which have been under planning for several years and certain parameters, at least in Government's eyes, are already fixed. This has resulted in the public seeing limited evidence that its views have been taken seriously. While some changes to existing plans have been achieved, strong demands for review of certain major projects such as the cruise terminal, the Kai Tak stadium and the P2 road in Central have largely been over-ruled. This would appear to indicate that, in the past at least, too much planning was undertaken, and too many assumptions were made, prior to investigation and ongoing and transparent review of public views and aspirations.
- High land values in Hong Kong, particularly in the central districts, and the embedded system of high Government returns from land sales means that the Administration is very reluctant to see too much land allocated to what can loosely be termed "amenities" (including parks and open space) as against uses for which developers will compete and pay land premium. While other cities such as Chicago and Baltimore also have high land values, they were not so notably significant during the planning and development of their world recognised waterfronts;
- To an extent this has now been recognised by Government and new ways of engaging the public are under consideration. Hopefully, procedural arrangements going forward will be re-structured in such a way as to allow

early public participation and a more flexible, ongoing and co-operative interaction as between Government departments and society at large, not only at the beginning of any planning process but at intervals during the preparation of the plans and again prior to and during their implementation or revision;

- The existing, well-established but highly fragmented policy formulation, plan-making (there are some 18 OZP's impacting on harbourfront planning but no one overall, holistic plan) and implementation systems within the Government, whilst successful in meeting strictly functional, financial and bureaucratic criteria have not been effective in delivering the quality harbour to which the community now aspires. In areas such as public engagement, preparation and interpretation/implementation of business plans for extensive mixed use developments, and management of the differing elements of the public realm, the remit and capacity of the existing administrative structure is far from adequate;
- The unknown nature of the level of real mass 'community' support, partly through lack of organised, participatory vehicles and partly through there being little for the public to relate to in terms of waterfront tradition. In this connection it was interesting to note the strength of the interest in both Star Ferry and Queen's Pier – two of the few "heritage" structures located on the harbourfront.

As the international examples show, Hong Kong's situation is not entirely unique (although neither is there another jurisdiction with which it is entirely comparable). The planning and implementation structures adopted by those cities with impressive and admired waterfronts were presumably only introduced after considerable thought and debate and many of the cities have had to tackle similar types of issues to those experienced here in Hong Kong. Despite the difference in mandate and level of responsibility, the commonality between these examples is in the empowerment of a single organisational entity or agency to facilitate the formulation and delivery of a vision and mission within a specified waterfront area and ultimately such a focused entity may well be the optimum solution for Hong Kong.

Such permanent bodies are usually straightforward in structure, minimise, so far as possible, disruption to existing administrative institutions and optimise the expenditure of public resources. Adequate checks and balances are generally maintained at strategic level through statutory provisions, or through administrative and government structures.

The approach has obvious advantages when it comes to planning a specific area on a comprehensive/holistic basis, gaining mass support for an overall harbour vision whilst maintaining flexible but effective implementation and management through an administrative vehicle – one that carries all the needed powers and resources for the purpose of a single mission; i.e., to improve planning, design, development and management/usage of the waterfront so as to enhance the attractiveness and competitiveness of the city. Such a body, if comprised of a mix of respected public and private sector representatives and seen to be independent of Government (although working closely with it), should be able to secure public credibility and to achieve the balance between economic development issues and growing community aspirations for a more accessible, attractive and vibrant waterfront.

Ideally, in Hong Kong, such an entity would be an independent body endowed with the necessary powers and authority to further develop the vision and to co-ordinate the implementation and management of programmes and plans. Although full details are not yet available, it may be that the authority proposed to implement and manage West Kowloon would be an appropriate model for an extended, harbourwide agency (subject to a membership more suited to the issues of the harbourfront as a whole) and that it could possibly evolve into such an entity once the West Kowloon initiative is successfully established.

However, to constitute such a single 'harbour agency' in Hong Kong would inevitably involve the bringing together and restructuring of the relevant existing departments, bodies and organisations and would such a restructuring be the optimum solution without a fundamental overhaul and update of our current fragmented planning, lands and buildings systems and the inter-related issues that would go with this?

### *Possible Interim Solution*

It may be that prior to any centralised agency for the harbourfront being put in place, the first step should be to update these systems in the context of sustainable development and present day strategic and community planning objectives. An independent harbour agency could then be incorporated within the new system's framework and associated administrative structures so as to achieve comprehensive and holistic harbourfront planning, development and management.

To fill the inevitable void in time and action that such a long term proposal and the related administrative and legislative procedures would entail, establishment of a more cohesive entity within the current administrative structure could be a realistic intermediate arrangement, assuming the determination of all parties to make it work.

Such an arrangement could take the form of a high-level Harbour Steering Committee, preferably chaired by a Deputy Chief Executive or the Chief Secretary (using the model of ADSCOM or HOUSCOM). The committee would be formed within the Government to review the statutory plans for the entire harbourfront, say to a depth of 100 metres from the water's edge, and oversee the progress and quality of relevant proposals within a clearly defined vision. Selected representatives of the public and members from the Harbourfront Enhancement Committee (HEC), the Harbour Business Forum (HBF) and other relevant, publicly respected organisations should be invited to participate to ensure public views are considered and incorporated from the earliest possible stage.

The Government could indicate its commitment through the establishment of a dedicated vote for funding the realisation of the harbour vision with a road map and clear time horizon for implementation. Potential policy conflicts could be resolved at this level and decisions could be translated into comprehensive action plans and programmes for implementation by the relevant public and private agencies. Such a partnering approach would be welcomed by many in the community and it is likely that an entity with an element of private sector involvement is likely to secure greater public trust and cooperation than one which only comprises Government representatives.



The HEC, as recently re-constituted, could provide input and support in the management of effective and wide ranging community engagement programmes (which should be dynamic, interactive and, importantly, ever evolving), a function which it already has the experience to perform, assuming provision of adequate Government administrative and financial support.

The Harbour Steering Committee would also take responsibility for the holistic management and maintenance of the public areas at the harbour edge, including the planning and arrangement of activities in and around the harbour, planning and provision of appropriate public amenities in these areas and oversight of the interface between land based and water based activities. The LCSD does not appear to be structured or equipped to undertake such a broad based, pro-active role and therefore another more flexible and public facing solution is required, including perhaps the engagement of suitably qualified and experienced private sector management organisations.

This Harbour Steering Committee would also be charged with investigating and making recommendations as to the optimum form and structure of the permanent “harbour agency” that could in time take up all of the above tasks.

## 5 CONCLUSIONS

It is clear that there is not one but many approaches that have been successfully adopted to planning, developing and managing harbourfronts throughout the world. Quite apart from their different planning contexts and situations when compared to Hong Kong, the overseas examples also largely represent quite different organisational or operational scenarios relative to each other. These differences lie at two levels:

- the underling objectives, physical extent and levels of coverage / responsibility; and
- the levels of political will, public / private emphasis and planning / design co-ordination.

Clearly, therefore, any change in our institutional structures must have regard to Hong Kong's own circumstances and needs. Nevertheless, the following lessons may be relevant and applicable:

- the commonality between the examples appears to be the establishment by law of a single organisational entity which overcomes the different levels and functions of government so as to facilitate the formulation, delivery and future management of a well documented vision/mission. Some cities have tackled issues and challenges similar to those in Hong Kong, and most have a quite comprehensive remit with statutory, administrative and political checks and balances, and a generally sympathetic and well-attuned political framework;
- Such bodies generally have a management board which is mostly non-official in nature or a mix of official/non-official members and they are generally financially independent;
- A key factor relates to the catalysts and motivations behind each entity, and whether the new organisation filled a vacuum or was essentially set up to streamline procedures. In Hong Kong a single agency would have to almost

totally restructure existing systems and procedures, and a fundamental issue is how, under what auspices, and with what remit this could be brought about.

- There needs to be an acknowledged need and a political will, whether this emanates from government, the private sector or the public within the prevailing political and policy structure;
- There is a need to synchronise all these different levels, through adequate institutional and organisational structures, political will, a responsive regulatory regime, realistic public participation, visionary thinking and systematic planning, with responsive tools and mechanisms to facilitate action and ensure that the process does not take over from the product;
- There is a need for maturity, trust and conviction within the prevailing political and policy structure that the new (or almost new) and complex processes inherent in an new institutional structure can best meet important existing and emerging issues and challenges. These include public and private sector needs and the more open-ended and ambiguous needs of the future geared to investment competition, development trends, tourism growth etc. This means that everyone involved must broadly recognise a range of issues and challenges in the first place;
- There needs to be an acknowledgement that the organisational approach itself must be flexible and, to a large extent, pragmatic. It must also be geared not to “managing the process” but to facilitating “change management” in order to incorporate many factors into the decision-making process. Such factors include the integration of policies, plans and programmes within an identified and agreed vision as part of a complementary participation, communication and engagement programme; and
- There needs to be input from experienced professionals who have real and relevant expertise – not merely politically expedient appointments on the basis of proven neutrality.

Given the above it may be that what Hong Kong needs, prior to any new and centralised organisational structure being put in place, is a high-level commission or Task Force to review the whole framework of planning and land administration across the city, how to procure excellence in urban design, the development of community participation and engagement processes, the procedures for weighting and balancing conflicting or non-complementary proposals and the financial implications of such developments.

The justification for such a fundamental review is simple – the need to move the city forward in terms of urban planning/design and truly sustainable development and the planning, delivery and management systems required to achieve this.

## ***Annex 1 - International Examples***

### **BALTIMORE**

#### **Baltimore's Charles Center - Inner Harbour Management Inc.**

The corporation responsible for the redevelopment of the Baltimore Inner Harbour was named Charles Center - Inner Harbor Management, Inc., because the Mayor at that time wanted to make sure its purpose was focused strictly on those two projects, and not on creating a larger empire for itself. The corporation was a private, single-purpose, no-stock



corporation which contracted to manage the development process. The contract with the City gave the corporation a specific list of functions:

- to coordinate (not duplicate) the normal functions of City Government in the project area: property acquisition, relocation of existing uses, design and construction of infrastructure, and public funding and appropriations;
- to act as spokesman for the plan and the process, creating favorable public relations both locally and externally;
- to recruit developers — private, public or non-profit — who would construct the uses called for by the Master Plan, and to negotiate development agreements with those developers for approval and execution in public by officers of the municipality
- to review and coordinate the architectural design of all construction, both public and private, to ensure a uniformly high standard of aesthetic quality throughout the projects;

- to control and coordinate the timing of construction, in order to achieve a complementary phasing process and minimize the disruption of other activities, and;
- to monitor evolving changes in the marketplace and identify changes in the Master Plan as they became indicated.

The corporation had a level of insulation from the City. Obviously, such a public-private contract could be a disaster if it were allowed to run the gauntlet of changing fortunes and factions in local politics. In Baltimore, that was avoided by, first, the designation of respected private, politically neutral executives to head the management corporation, and second, by the early and continuing success of the implementation process, which would have made it very unpopular for any politician to interfere for the wrong reasons.

## **VANCOUVER**

### **The Vancouver Urban Planning Department**



Vancouver has become a model for other cities not only as a result of its waterfront redevelopment but also in terms of its “progressive” planning process. The development process in Vancouver comprises several stages. This process of “progressive planning” is based upon a highly discretionary regulatory framework, which emphasizes guidance and incentives over hard regulations. Progressive planning is an exhaustive process of collaboration between the public and private sectors and the community. All three are engaged in constant dialogue throughout the course of a development. The public and private sectors join forces for the design exercise, policy is determined by politicians, development

approvals are granted by appointed officials, and for the most part, City decisions are final with appeals being rare. The result is that the rezoning process seldom stalls, because the community has been engaged thoroughly in the process.

The renaissance of the Vancouver waterfront derives from a specific period in the history of the city, with implementation of the regional growth strategy going into full gear after Expo 86. The entire Expo site, comprising some 204 acres, except for BC Stadium, was sold to a consortium of international developers under the name of Concord Pacific. The sale was conditional upon approval by the city of a development plan that conferred a certain amount of floor space and specified a package of public benefits. So whilst the City was not responsible for the implementation of the development, it guaranteed a high level of public amenity

through the development planning process. In addition to basic infrastructure, this package included 17 hectares of parkland, a continuous walking and bike system, a community center, childcare and school sites, a public art programme, and a 20% social housing requirement. The development plan was devised under a cooperative planning model, between the city, the province, the developers, their consultants, and the public.

In Vancouver the implementation of waterfront development is left to private developers. However the process by which development plans are approved is controlled by the City Planning Department\*. The Planning Department's two divisions, City Plans Division and Current Planning Division, advises Council on policies which guide growth and change in the City, with an emphasis on land use and built form. The department considers the implications of a wide range of social, economic, physical and environmental issues on the liveability of the City.

*\* The Department is responsible for administering the Zoning and Development By-law, and Official Development Plans, as well as responsibility under the Provincial Heritage Conservation Act.*



## **TORONTO**

Following the release of the Toronto Waterfront Revitalization Task Force's report in March 2000, the Government of Canada, the Province of Ontario, and the City of Toronto jointly announced their support for the creation of the Toronto Waterfront Revitalization Corporation ("TWRC"), now re-named Waterfront Toronto, to oversee and lead waterfront renewal.



Waterfront Toronto was established in 2001 and its overall scope covers the development of 750 acres of waterfront parks and public spaces, 40,000 new homes in mixed use neighborhoods, 1 million square meters of employment space, major cultural and recreational attractions along the waterfront and an expansion of public transit.

The mission of Waterfront Toronto is to put Toronto at the forefront of global cities in the 21st century by transforming the waterfront into beautiful, sustainable new communities, parks and public spaces, fostering economic growth in knowledge-based, creative industries and ultimately: re-defining how the city, province and country are perceived by the world. Whilst some improvements have already been completed, 2007/2008 will see the expansion of the corporation's core business from planning and smaller scale projects to implementation and development of major parks and recreational facilities, waterside destinations and new sustainable, downtown communities that are affordable to everyone.

Working with the community and public and private sector partners, Waterfront Toronto's mission is "to create waterfront parks, public spaces, cultural institutions

and diverse and sustainable commercial and residential communities that will ensure that Toronto becomes the city where the world desires to live”.

The corporation is governed by an 11-member Board of Directors, including the chair and local representatives, appointed by the federal and provincial governments and the City of Toronto. Corporate authorities and accountabilities are set out in Bill 151. The three levels of government jointly fund the corporation and appoint the Board of Directors.

Overall Corporate Objectives of Waterfront Toronto are;

- Develop accessible new waterfront communities that offer a high quality of life for residents and visitors alike
- Attract innovative, knowledge-based industries to the Port Lands
- Engage the community as an active partner in revitalization
- Develop strategic partnerships to attract private sector investment

Toronto's revitalized waterfront is characterized by excellence in urban design. What is built on the waterfront, from buildings to streets to parks and public art, sets new standards for architecture and public space across the city. To help achieve and uphold these standards, the Waterfront Toronto has created the Waterfront Design Review Panel.

Sustainable development is a key driver of the revitalisation plan and in 2004/05 Waterfront Toronto released the final version of its Sustainability Framework.

## **SYDNEY**

Sydney is a case where the city's development process has been complicated and at times compromised by jurisdictional fragmentation. For many years, a proliferation of consent bodies, competing for the control of Sydney's relatively small central city area, has encouraged a feudal mindset on the part of many city planners and authorities. This led to conditions where major city redevelopments have become unnecessarily confined within artificial boundaries, resulting in the squandering of opportunities to integrate new pieces of city with the existing fabric. However efforts have been made to streamline institutional arrangements.



In recognition of these inefficiencies, the Sydney Harbour Foreshores Authority (SHFA) was formed in February of 1999, amalgamating the functions of the City West Development Corporation, the Sydney Cove Authority and the Darling Harbour Authority (in January 2001).

SHFA is responsible for Sydney's most historically and culturally significant waterfront locations. The role of the Authority is to:

- Restore, preserve, manage and promote some of Australia's most important heritage buildings and areas.
- Run events, community and education programs.
- Manage properties, carry out capital works and undertake major projects.

The SHFA is one of the biggest landholders in Sydney, owning just over 400 hectares. It also manages a number of other properties on behalf of other NSW Government agencies. SHFA land holdings include two major precincts: The Rocks and Darling Harbour. It also owns key foreshore sites around the Harbour.

SHFA is charged with the responsibility of balancing community, cultural, tourism, heritage and commercial objectives. Since its establishment SHFA has returned more than AUS\$50 million in dividends to NSW Treasury, and funds its own operations principally from rental and other property income. It uses this income to provide around AUS\$21 million in community service obligations annually with an additional AUS\$10 million on property/heritage related capital works each year, as well as funding the usual costs associated with being a property owner and manager.

SHFA is both a place manager and a place maker. The Place Management Division provides a range of services, including project management, maintenance, operational, horticultural, security and logistics, compliance, planning, heritage and urban design services. Its scope includes policy advice, assessment of development applications (as delegated under the *NSW Heritage Act 1977*) and determination of conditions regarding urban design, heritage, landscaping and archaeological considerations.

## **MELBOURNE**



The Melbourne Docklands Project, the largest waterfront development in Australia is under the auspices of VicUrban, the Victorian Government's sustainable urban development agency. VicUrban is a statutory authority and Victoria's largest land developer. It carries a diverse portfolio of projects including developing new suburban communities on the urban fringe, the waterfront Melbourne Docklands project, urban renewal projects on surplus government or industrial land and Victoria's "Transit City" Program projects.

VicUrban's projects are required to achieve multiple objectives and create opportunities in terms of the establishment of community infrastructure, enhanced environmental performance and housing affordability. This approach acts as a filter in considering new business opportunities. New projects are required to meet these objectives within a commercial framework. VicUrban has a specific mandate to undertake major urban renewal projects, particularly in areas where there has been market failure and impediments need to be overcome. This approach is consistent with the *Melbourne 2030* plan, the document guiding Melbourne's development.

VicUrban is responsible for Australia's largest waterfront-development project, Melbourne Docklands, which continues to evolve with 4,000 residents, 5,500 office and retail workers and over 5 million visitors during the year. Further development and sale of remaining land is progressing. Strong commercial office interest in

Melbourne Docklands' location has balanced a slower residential market. Docklands is integrated with existing public transport, road systems and social infrastructure including Melbourne's central business and activity centre.

The rapid creation of the site as a new and exciting Melbourne precinct has necessitated a strong focus on the provision of international-standard place management services, including cleaning, security and landscaping, along with effective wayfinding, strong brand building and the provision of attractive event venues.

## **SAN FRANCISCO**

In San Francisco the Port Authority is responsible for waterfront development. Unlike other locations, however, the Port is structured the same way as any other City department with its Commission being appointed by the Mayor. The San Francisco Port Authority does enjoy some autonomy from the City, in that it is financially independent and



revenues generated by the Port can only be used for public trust purposes. It is in the unique position that it must further statewide interests and do so without monies from the City's general fund.

Unlike some Ports, which primarily manage shipping and/or airport operations, the Port of San Francisco oversees a broad range of commercial, maritime and public activities. In some areas, like Fisherman's Wharf, maritime activities (in this case commercial fishing) have become the background amenity for the City's thriving tourist economy. In other areas, the Port uses piers for maritime support services such as ship repair, tug and tow operations, and a Foreign Trade Zone, largely outside the public's consciousness. The Port Commission oversees this myriad of activities, balancing the often competing interests of maritime and commercial tenants, public trust responsibilities to the people of the State, and responsibilities to the people of San Francisco, whose waterfront it oversees.

As is the case in many cities, reaching consensus in San Francisco on any subject related to waterfront redevelopment is challenging. When it comes to consensus-based planning, what clearly is one of the City's greatest assets – its diverse, stimulating, well-educated and opinionated citizenry – is also one of its greatest challenges. This is especially true on the San Francisco waterfront where many

were skeptical of the ability of the Port to conduct an open and thoughtful planning process.

To the surprise of many watchdog groups, the Port addressed these concerns head-on by taking the unprecedented step of creating a community-based waterfront planning process. The Port first solicited applications for a 27-member Advisory Board with representatives from all walks of City and waterfront life. Members included representatives from the Mayor's office, other elected officials and decision-makers, maritime, business, environmental, open space and urban design interests, and each neighborhood or district adjacent to Port lands. The Advisory Group had the daunting task of independently recommending a Waterfront Plan for Port Commission consideration.



## **BOSTON**

In Boston, planning and economic development comes under the control of the Boston Redevelopment Authority (BRA). The port authority, Massachusetts Port Authority ("Massport"), is an independent state agency entrusted with developing, promoting and managing airports, the seaport and transportation infrastructure. Both Massport and the Boston Redevelopment Authority ("BRA") fall under the control of the State for any development activity on the waterfront, in particular the auspices of the Secretary of Environmental Affairs.

Massport was created by the Legislature in 1956 and operational since 1959, It is an independent revenue bond authority, whose seven-member Board of Directors is appointed by the Governor of Massachusetts to staggered, seven-year terms. Massport is a multimodal transportation agency which owns and operates not only the traditional seaport, but also Logan International Airport.



The BRA is a powerful agency created and empowered by state legislation to serve as the City's urban renewal authority, industrial development corporation, and planning board. As a development agency, the BRA is an important landowner of the downtown, Charlestown and South Boston waterfronts. As the municipal planning agency, it is responsible for waterfront zoning and local project reviews.

The other major player is the Commonwealth of Massachusetts. In the 1970s, Massachusetts became one of the first states to impose a comprehensive environmental impact review mechanism on all significant projects requiring state land, money, or permits. The Secretary of Environmental Affairs administers the Massachusetts Environmental Policy Act (MEPA). This rigorous program applies to all agencies created by state legislative action, including both Massport and the BRA. MEPA review, typically through a detailed Environmental Impact Report, is an essential feature of any proposed waterfront infrastructure or development project, and must be successfully completed before any state action can be taken.

For projects which involve development in the water, on piers, or in filled tidelands, the most important state action is the issuance of a tidelands license by the state's Department of Environmental Protection. A statute known as Chapter 91 of the Massachusetts General Laws governs these licenses, and to a great degree, any discussion about waterfront development in Boston is a discussion about Chapter 91 - the statutory expression of the ancient legal doctrine that the tidelands (that is, the area below the historic high water line) are held in trust by the public.

A delegation of the TGMMH attended the Waterfront Expo at Liverpool and visited London on 2-7 November 2008 to study overseas management models of the harbourfront, with the objective of formulating a suitable management model for the Hong Kong harbourfront. Below is an extract of the report on the observations and findings of the post-visit report.

### **Extract of TGMMH's Report on Visit to Liverpool and London (2-7 November 2008)**

\* \* \* \* \*

#### **Major Observations: Key Challenges and Opportunities in Waterfront Development**

##### **a. Policy Vision and Commitment**

4. From the various presentations at the Waterfront Expo it is evident that a city needs a strong policy statement and unwavering commitment for waterfront development, bearing in mind that, policies that work in boom time may not work in recession. Waterfront developments take time to implement, and they cannot be developed overnight. In developing such a vision, it is necessary for the government, in consultation with the public and stakeholders, to consider the following key issues:
  - ◆ the kind of place it will be;
  - ◆ who is it for;
  - ◆ what it will add to the value of the city;
  - ◆ how it will be perceived locally and internationally; and
  - ◆ the role of the government, the private sector and the public in the planning, delivery and management of the waterfront.
5. Liverpool is a great example of a city that for several decades was on a steady decline but has undergone a miraculous recovery over the last ten years. Liverpool Vision is the first Urban Regeneration Company in the UK supported by its public sector partners such as Liverpool City Council, the Northwest Regional Development Agency and the English Partnerships which together

formulated Liverpool Vision and Regeneration Plan. Public-private partnerships in the form of Mersey Partnership have come together to regenerate the city centre and transform Liverpool into the 2008 Cultural Capital of Europe.

6. Other examples that show a policy vision and strong commitment include Canary Wharf development by the London Docklands Development Corporation that transformed the rundown docklands into a thriving Second Central Business District to London over a span of 25 years before progressively handing it over to the local councils. Another successful example is the initiative of the English Partnership to acquire an area of 300 acres in the Greenwich Peninsula, which used to be the largest gas works in UK. Through sustainable development and excellent urban design, the area was transformed into a thriving award winning community with 50% affordable housing in the whole village, home to people from all over UK.
  7. The regeneration agencies in Liverpool and London, Mersey Partnerships, London Docklands Development Corporation and English Partnerships, started off as government initiatives with a clear mission to regenerate declining industrial areas. They were supported by public infrastructural developments and financing, until the success of the projects eventually attracted considerable private investments. Thus, the government plays an important role in formulating a vision for the waterfront, in taking the lead to deliver the vision and in encouraging private involvement and public engagement in a sustainable development of the waterfront.
- b. Developmental approaches and strategies
8. The various cases presented at the Waterfront Expo Conference share a number of development strategies: emphasis on connectivity, mixed-use development, public engagement, private participation, heritage preservation and brand development.
- (i) Connectivity
9. One of the crucial questions raised at the Waterfront Expo was reconnecting the city hinterland with the waterfront by bringing the city to the water so that people can enjoy the waterfront. Waterfront is a place to think and relax and an urban space where people meet. The views from the hinterland to the waterfront should not be blocked.

10. Most presentations highlighted the importance of public accessibility along and from the hinterland to ensure the vitality of the waterfront. In the successful cases of waterfront regeneration that the delegation came across, the government usually took the lead to attract investment by developing essential infrastructures to connect the waterfront with the urban fabric, such as roads, railways, promenades, transport logistics and a good signage system to enable easy access and navigation and to finance strategic developments as catalysts to ensure the regeneration of the waterfront.
11. The successful regeneration of Canary Wharf and Greenwich Peninsula in London, for example, was very much due to the construction of the Jubilee Line that links the former dockland areas to the heart of the city. The South Bank Partnership and the Employers' Group worked together with the Lambeth local government to improve the conditions of pavements and subways around South Bank, so as to enhance connectivity with the inner part of the city.

(ii) Heritage Conservation & Brand development

12. Apart from physical infrastructures, a brand strategy can connect people to the waterfront by providing a waterside experience that is unique to the city and cultivates a 'waterfront identity' among the people. This includes making maximum use of the character of the city, investing and upgrading existing attractions and using events (along and on the water) to animate the waterfront. Events can be mega-size such as the Mersey River Festival, or small and medium ones organized regularly. The Mersey Waterfront is promoted for its unique identity and has attracted major investment in recent years.
13. Heritage is the legacy and memory of a city. Heritage preservation contributes greatly to the development of a unique waterfront 'brand'. A city needs a waterfront vision that should strive to create a legacy, preserve memories and to understand the history and geography of the place. The vision should be set by the public sector with the public, gauging public aspirations and private sector needs, as well as giving clear guidelines and confidence to invest in the city. The Titanic Quarter development in Belfast, for instance, makes use of the city's shipbuilding past (including the Titanic) to re-develop a maritime quarter in the

city. Historical buildings and monuments related to the Titanic are preserved, such as the Thomson Dock and Pump House.

14. Effective communication strategies are also essential in informing the public and shaping their perception of the kind of unique experience that they would come across at the waterside. A calendar of events is useful in encouraging the public and tourists into waterfront areas, thus stimulating and help funding a sustainable waterfront.
15. Another successful example is South Bank, which only 10 years ago was a rundown area with no vibrant waterfront. Through public-private partnership, the area has been transformed into a major destination including key attractions like the London Eye and the Royal Festival Hall. Together with local authorities, the South Bank Partnership and the South Bank Employers Group have helped transform the South Bank into the most sought after waterfront destination and created the South Bank as a brand with its own unique identity.

(iii) Mixed Use and Sustainable Development

16. A mixed-use of various development types, including residential, commercial, recreational and environmental, is essential to enriching the diversity of waterfront experiences and adding to the attractiveness and vibrancy of the waterfront.
17. In Liverpool, the Merseyside waterfront was regenerated with a mixture of new developments: an Exhibition Centre, a Maritime Museum, Tate Modern and a new Museum of Liverpool to be completed by 2011. One of the piers was turned into a cruise berth, which helps reconnect the city to the river and encourages tourism. The delegation also visited Liverpool One, the new iconic attraction that consists of a modern mixed use development with an open shopping mall, cafes, restaurants, office buildings, and residential buildings with a lot of open space and an open area for performances in the summer. Some of the older buildings and facades were retained and reused, and existing connections to the city were strengthened to ensure that the development would link the older city to the waterfront.
18. Another example is South Bank of London. A large area of recreational space (i.e. the waterfront promenade) is cleverly integrated with the surrounding arts, cultural

and commercial activities, such as street performances, graffiti, book sales, cafes, restaurants and higher-end performances and exhibitions in the National Theatre, Royal Festival Hall and Tate Modern. The public can pursue a wide range of activities along the Thames waterfront.

19. There is a need for policy and development innovation to ensure the creation of innovative and unique waterfront communities such as the Greenwich Millennium Village. The English Partnerships, the national redevelopment agency, has a mission to redevelop the area into an innovative, eco-friendly and sustainable community with 50% affordable housing in the whole village. A lot of investment went into the project despite the large capital cost. The project is said to be profitable at the end of completion. The Millennium Dome is also well used for a variety of activities, in spite of the several hiccups initially.

c. Management Models and Implementation

20. We observed that there are various types of waterfront management models and most places use a combination depending on the specific circumstances:

(i) Centralized Vs localized

21. A city should look for sustainable development of its waterfront and have a strong leadership and commitment to realize the city's vision. When major development is needed to revitalize an area, there seems to be a need for a centralized waterfront authority, such as the London Docklands Development Corporation responsible for regenerating the London Docklands into the new business district of Canary Wharf. The London Docklands Development Corporation set out the redevelopment planning framework. After 25 years, planning power was progressively handed over to the local district councils. Initially, the public were skeptical and against the project, but the London Docklands Development Corporation developed key infrastructural projects such as the Jubilee Line and light rail to attract private participation. Stricter urban design guidelines were enforced following the more flexible approach during the first phase of development, which was designed to attract private sector tenants into the area.

22. In other cases, the London borough governments have considerable leeway in planning and developing the waterfront areas under their jurisdictions, such as the Lambeth Government that the delegation visited. Lambeth is responsible for managing the South Bank and Vauxhall area along the Thames River. The Mayor of London or the national government does not usually intervene unless there are controversies over the projects e.g. over building heights or heritage preservation. Here again public private sector participation in the form of the South Bank Partnership and South Bank's Employers' Group were instrumental in transforming South Bank into a major tourist destination.

23. Before its dissolution in 1998, the London Docklands Development Corporation possessed extensive and integrative powers, including overall planning power, land ownership (thus was able to enter into commercial agreement with developers) and the power to broker and enter into contracts. In contrast, the Royal Docks Management Authority Limited is a functional body set up to manage the water along the Royal Docks area. Its mandate and enforcement power are quite limited, and thus has to rely on cooperation of land owners while managing the water.

(ii) Integrated Vs functional

24. The Clyde Waterfront near Glasgow, Scotland uses a combination of integrated and functional approaches in developing its riverfront. It strategically attracts diverse users, creates events and designs extensive educational programs to bring vibrancy, diversity of uses and people to the waterfront.

(iii) Public-Private Partnership

25. If appropriately engaged, the private sector can provide the necessary capital and expertise that the public sector often lacks. Mersey Partnership is a sub-regional partnership set up to regenerate the Mersey Waterfront of Liverpool. It started off with public funding from the Northwest Regional Development Agency. The success in regenerating the Mersey waterfront has attracted many private investors to participate in Mersey Partnership, which has been essential to the redevelopment of Pier Head, King's Cross (with the Convention Centre), a new Cruise liner facility and a wide range of environmental and recreational projects



that will further enhance the Mersey River Estuary into the Mersey Waterfront Regional Park.

26. Clyde Waterfront is another successful example. A Strategic Partnership Board was established to finance a 20-25 year regeneration plan for the waterfront. The total amount of public and private sector investments was about £ 5.6 billion. The regenerated waterfront attracted key industries such as IMB and BBC. A Clyde College with 3,000 students was established at the waterfront, reenergizing and animating the area. This is further complemented by events such as river festivals and Commonwealth games.

(iv) Private-initiated Partnership

27. The South Bank Employers' Group is an interesting example of an association of major organizations in South Bank, the group plays an active role in branding and coordinating the re-development and management of the South Bank, including lobbying national and local governments, submitting planning proposals to government authorities, delivering projects to improve the environment of the South Bank waterfront and promoting the South Bank as a 'brand' of London.

\* \* \* \* \*

In continuation of its effort to search for an appropriate management model for managing the Hong Kong harbourfront, the TGMMH organized another overseas visit on 16-21 February 2009 to Singapore and Sydney. Below is an extract of the report on the observations and findings of the post-visit report.

### **Extract of TGMMH's Report on Visit to Singapore and Sydney (16-21 February 2009)**

\* \* \* \* \*

#### **Major Observations: Key Challenges and Opportunities in Waterfront Development**

4. Both Singapore and Sydney have successfully transformed their waterfronts as major destinations with a strong vision and leadership, overcoming key challenges by strategic planning and development supported by detailed land use planning and urban design guidelines to help in the proper implementation of vibrant waterfronts. Through effective place marketing and place management, these waterfront cities continually seek new opportunities for waterfront development to reposition their cities.
  
5. Singapore's development was championed by the then Prime Minister Lee Kuan Yue, who with his strong vision and leadership transformed Singapore into a Garden City of international standard attracting over 10 million visitors annually. Singapore was redeveloped into a major riverfront destination by successfully cleaning up of a very polluted Singapore River and formulating area-based cultural heritage conservation. Furthermore, Singapore is repositioning itself as an environmentally sustainable "City in the Garden" by further investing in its national parks, urban greenways and branding Marina Bay development, Singapore's new CBD as a major waterfront destination. The city has been successful due to its strong national planning, development and management in the form of Singapore's Urban Redevelopment Authority (URA), which places a greater emphasis on good quality architecture, urban design excellence, place-making, a high quality public realm, cultural diversity, heritage conservation, quality natural environment, and sustainable development.

Public surveys are periodically undertaken to gauge public views. However, public engagement and involvement in shaping the city development has yet to take off, where the government is still viewed as a caretaker, similar to a “Nanny State”.

6. Sydney is a successful waterfront city attracting more than 26 million visitors annually. Its harbour, including the iconic Sydney Opera House and the Harbour Bridge, is primarily planned, developed and managed by state run agencies. Citizen participation has been prominent in Sydney from the beginning and was instrumental in preserving The Rocks, where Australia originated. Several decades later, The Rocks has become a vibrant heritage precinct, a famous waterfront destination, popular for its shops, restaurants, and museums.

a. Policy Vision and Commitment

7. From the various presentations given by Authorities in Singapore and Sydney, it is imperative for the government to provide a clear policy vision and leadership with mandate from the chief political executives for harbourfront development, in order to sustain the long-term effort that is required for its enhancement. This policy vision serves as a strong basis for building consensus across government departments, for facilitating participation from the private sector, and for rallying support from the general public in the planning, designing, developing and managing the harbourfront. Such a vision can begin with political leadership as in Singapore, or can be developed in consultation with the public and key stakeholders as is the case in Sydney.
8. Singapore has worked hard for over 40 years to change itself from a grey city to a tropical green city. The current vision is to transform Singapore from a Garden City, to a City in the Garden through a network of urban greenways and extensive open space. The Singapore URA is responsible for strategic and land use planning, development control and implementation while the Marina Bay Development Agency, a Department of the Singapore URA, manages and promotes Marina Bay and is funded by the National Government. The returns from land sales partially pay for the development.
9. The Singapore Riverfront is an outstanding example of the regeneration of the river from its decades of degradation. The entire effort was deliberated in a top-down fashion starting from the policy vision of the then Prime Minister, Lee

Kuan Yue, in 1977, “In 10 years time, let’s have fishing in the Singapore river ... it can be done”. With such a strong vision, the working river that was once very polluted because of industries has been transformed into a successful mixed use activity corridor, with distinctive nodes such as Boat Quay, Clarke Quay and Robertson Quay based on a few basic principles – a vibrant mix of old and new uses, urban regeneration, heritage conservation and public private participation. All these were done through the development of a detailed land use master plan and the formulation of urban design guidelines by the Singapore URA, which was responsible for transforming Singapore River into a major destination. Singapore URA constantly reviews and looks to upgrade the various nodes, such as Clarke Quay and Boat Quay to ensure that they are popular and continue to be commercially successful.

10. A clear national policy and a recent paradigm shift towards a greater emphasis on lifestyle experience enables Singaporeans to truly enjoy their waterfront and nature, through its continuous waterfront promenades along the Singapore River and Marina Bay, 300 regional, urban and neighbourhood parks, tree lined avenues and boulevards. Singapore has truly become a city for live, work and play.
11. The Sydney harbour is planned and managed by three State run organizations, the Sydney Harbour Foreshore Authority (SHFA), The Sydney Ports Corporation (SPC) and the New South Wales Maritime Authority (NSWMA). Darling Harbour and areas close to the harbourfront are owned and managed by the SHFA. All commercial shipping Freight and Cruise liners are managed by the SPC. The harbour itself to the high water mark and the recreational maritime activity come under the control of the NSWMA.
12. The waterfront city of Sydney represents another positive experience of harbourfront enhancement. The policy mandate of consolidating the Sydney harbour foreshore planning and development came from the State Government of New South Wales. Such a task of developing, managing and marketing the harbourfront areas was entrusted to the SHFA, which was formed in 1999 by merging the Sydney Cove Redevelopment Authority, Sydney West Development Authority and the Darling Harbour Authority.
13. Established in 1995, SPC manages and develops port facilities including the Sydney Harbour and Port Botany Bay. SPC is responsible for all commercial

shipping and Freight and Cruise Liners, with two cruise terminals, one is to be relocated further out. Cruise business is a major tourist activity with events planned when cruise ships are not using the terminal. Water transport is extensive ranging from water taxis, ferries, pleasure boats etc., however, transit linkages to the harbourfront can be further strengthened.

14. NSWMA, created in 2004, is self-funded and owns Sydney harbour. It acts as a policeman to safeguard the harbour from further reclamation or prevents even the use of boardwalks to gain land side access. NSWMA is responsible for all recreational marine activities, and owns some of the reclaimed land and finger wharfs, moorings, recreational land. The Authority manages boat registrations, license drivers etc, and contracts out place management to the SHFA.

#### b. Developmental Approaches and Strategies

15. Singapore and Sydney display contrasting approaches of development and management of its waterfront. The Singaporean government has basically adopted a top-down approach in the form of single-agency-led (URA), inter-agency effort and delivery with government related public-private partnership (PPP) (e.g. the Singapore Cruise Centre) as the major policy tool. The riverfront development is an effort by design, with explicit strategies adopted for development and management ranging from environmental protection to urban waterfront regeneration:

- i. Creating an activity corridor for recreation and leisure through mixed land-uses;
- ii. Mixing old and new developments; and
- iii. Forging a public-private sector partnership.

16. Singapore River was once a working river that was very polluted because of industries. The Singapore Government took on this challenge in the 70s, and took 10 years to clean up the River, including rebuilding the river walls through PPP. The Singapore River has been transformed into a successful mixed use activity corridor, with distinctive nodes such as Boat Quay, Clarke Quay and Robertson Quay, a vibrant mix of old and new, urban regeneration and heritage conservation. A strong vision, a detailed land use master plan and urban design guidelines ensure clear typologies, maintain human scale and intimacy. Proper building massing, density and ground level activities are maintained, and major

projects are policed by the URA to ensure conformance to planning intentions. Place management and place marketing by hosting events, such as the Singapore River Festival, have been fundamental in making it a key attraction and major destination enjoyed by local people and visitors alike.

17. Singapore River is active and vibrant, with a promenade that is about 10 m wide, of distinct character, hard and soft landscape, varied floorscape, lighting and streetscape furniture, including steps along the water with no railings. Public and private spaces transition seamlessly, following the guidance of Outdoor Refreshment Areas and strict management and urban design guidelines. Boat Quay is more individually owned, looks more authentic, but more difficult to manage and less successful according to URA. Clarke Quay was acquired, repackaged and sold, and is under single ownership of a Master developer. It has become commercially more successful due to its recent renovation, a better mix of activities and choices for customer, and is more popular among local people although has a themed artificial look.
18. The harbourfront development and management in Sydney has been less organized and was more evolutionary in nature, where only recently have efforts been made to consolidate the harbour foreshore development and management in a more systematic and organized way. The single-agency-led, inter-agency effort form has been adopted by setting up the SHFA in 1999, to take up the responsibility of harbourfront enhancement.
19. Political wrangling between State and Local agencies is prevalent, leading to the local community being more skeptical about the developments proposed to be undertaken by the SHFA. The Barangaroo development project in East Darling Harbour, which is to be developed on a 99-year lease as a mixed use development and as an extension of the CBD with a major headland waterfront park, is to be developed by the Barangaroo Delivery Authority. NSWMA developed Woolloomooloo finger Wharf as a high end residential development, with restaurant and marina facilities. For developments like this, they gain dual consent where more than one agency is involved.
20. All the presentations on waterfront management made during the Singapore and Sydney visits indicate strong convergence of development strategies: emphasis on connectivity, mixed-use development, public engagement, private participation, heritage preservation and brand development.

(i) Connectivity & Quality of Life

21. In line with the global trend of returning the waterfront (including the riverfront and harbourfront) to the general public for enjoyment and of promoting a vibrant waterfront for sustainable development, the key concern is to improve the quality of life by bringing people and the city life to the waterfront. Making the waterfront accessible to the public has thus emerged as a strategic consideration cutting across the planning, development and management dimensions. A holistic view of connectivity between the waterfront and the city hinterland physically, visually, socially, culturally and economically has now become the observable paradigm with a greater emphasis on pedestrian friendliness and environmentally sustainability.
22. Shortening the distance between the hinterland and the waterfront on the one hand, and connecting various locations along the waterfront on the other hand through the improvement of public accessibility, has underlined the riverfront enhancement efforts of the Singapore URA. Sound physical connectivity is important, as the Singapore River is seen as an activity corridor for people to gather at. A continuous promenade of about 10 m wide on both sides with sufficient crossings draws people to the riverfront for leisure. Indeed, careful attention has been given to urban design and the public realm, as well as the transportation network for enabling easy access by land and water. More effort is made to create an inviting ambience for pedestrians on the way to the riverfront, by means of new street lighting, street furniture, landing points, ticketing kiosks, etc. The innovative infrastructure, together with a comprehensive green pedestrian and transport network of Marina Bay provided a good example of connectivity and accessibility. Extensive land-marine interface with water related leisure, recreational, and entertainment activities, are planned along a continuous waterfront promenade of 3.5 km in length and ranging from 15 m to 25 m in width.
23. “Gardens by the Bay” covering 100 ha, provides extensive open space and forms an integral part of Marina Bay, interfaced with the Integrated Resort. Designed by an UK architect through an international competition, Gardens by the Bay is a major investment of S \$ 800 million, including Super trees, a Conservatory, Biom and Lake purifier, aimed as an educational laboratory. It also enhances the real estate value of properties around. Another interesting example is the

East Coast Park, a 15 km coastal stretch of parkland ranging from 25 m to around 100 m wide. It is very popular among the local people, attracting some 7.7 million people annually for a variety of activities, camping, cycling, swimming, skating, rollerblading etc.

24. Darling Harbour was developed and implemented by the SHFA in a short time, and is easier to manage as it has only 21 tenants as compared to over 300 tenants in The Rocks. Circular Quay is another vibrant destination, popular among locals and visitors alike. It should be noted that waterfront promenades with commercial uses tend to be more active and vibrant than promenades with residential development, which sometimes become dead spaces as they are perceived to be more private in nature.
25. The capacity of bringing tourists and local people to Darling Harbour by rail transit can be further improved to provide accessibility from the city centre. The monorail only serves as a tourist feature. The operation of various forms of water transport further strengthens access. For example, the water taxi facilitates people to move around the different attractions along the harbourfront, from Darling Harbour to The Rocks and the Opera House.

(ii) Heritage Conservation & Brand Development

26. Branding, place marketing and event management are seen as the key to the success of waterfronts both in Singapore and Sydney. Brand building can connect people, both locally and internationally, by developing a waterfront identity for local people and providing a unique waterfront attraction to foreign visitors.
27. Singapore's URA makes use of the past to forge a modern riverfront image through planning, featured by "A vibrant 24-hour lifestyle and entertainment precinct, rich in heritage and culture". Such river branding strategy is achieved through local branding by organizing festivals like the River Festival including arts and cultural events such as musicals, theatres and concerts on the river to market the river and quays.
28. By organizing events, the Marina Bay Development Agency has successfully branded Marina Bay as the Garden City by the Bay. Marina Bay is seen as a major destination even before its implementation is complete, thereby increasing



its real estate value. Through carefully planned place marketing and place management strategies, people enjoy the waterfront promenade by attending national events, such as the fireworks, festivals and sporting events such as the recent and very successful F1 racing.

29. In Sydney, the SHFA has assumed more of a branding, place management and marketing function promoting Darling Harbour among other destinations. For the famous Sydney Harbour, the focus is to enhance its brand through harbourfront enhancement, creating a new image and identity through mixing the heritage tourist destination of The Rocks and the Woolloomooloo Wharf development with the modern development of Darling Harbour, and future development of the Barangaroo.
30. Heritage is the legacy and memory of the waterfront. Its preservation adds value to image and is the currency for brand building. Indeed heritage preservation is a main theme of the Singapore River regeneration and harbourfront development in Sydney. As the Singapore River is rich in heritage and culture, under the development strategy of mixing old and new development, historic sites and buildings in the riverfront are preserved and converted into tourist attractions, notably, Boat Quay, Clarke Quay, and Clifford Pier in Marina Bay. The Rocks in Sydney is a good example of heritage preservation for bringing people and visitors to the harbourfront. In its harbourfront enhancement effort, the SHFA has already planned to invest more than AUS\$300 million over the next decade to maintain and improve the property and heritage assets.

(iii) Mixed Use and Sustainable Development

31. Witnessed in the riverfront of Singapore and the harbourfront of Sydney is a mixed-use of various development types, including residential, commercial, recreational and environmental for enriching the diversity of waterfront experiences, and adding to the attractiveness and vibrancy of the waterfront.
32. Singapore's riverfront was regenerated and enhanced through designs, including a mixture of old and new developments, as well as a mix of land use. Boat Quay has retained its original appearance of small heritage properties, which are more individually owned and look more authentic to attract tourists. Clarke Quay was acquired, repackaged and sold, and is now under single ownership of a master developer. Clarke Quay is commercially more successful due to its

recent renovation, a better mix of activities and choices for customer. It is also more popular among local people despite its themed artificial look. Robertson Quay is predominantly a residential area.

33. Marina Bay has successfully embarked on an aggressive mixed use development program using White and Grey zones and clear urban design guidelines, specifying development parameters and public realm infrastructure to ensure that the planned vision is implemented. Marina Bay is envisioned as the new CBD on a 360 ha site, with the extension of the city grid for proper integration of the new development with the existing city. Key features include housing, commercial, hotel and community facilities: the Integrated Resort, Singapore Flyer, an iconic pedestrian bridge, and a vehicular bridge to connect the Marina Bay development with the city. With the recent construction of the dam, the Marina Bay water body functions as a fresh water reservoir for the city. District cooling, pneumatic waste collection and separate service tunnels ensure that data, telecom, water, high security area with backup systems in place make the development sustainable and energy efficient.
34. The mixed use development can also be seen along the Sydney Harbour. The contrasting styles of the modern Darling Harbour and the heritage of The Rocks reflect the mixture of old and new developments. The harbourfront area around Circular Quay has seen the recently completed residential buildings situated next to the commercial area with the Opera House and the promenade within walking distance. The Barangaroo development project in the East Darling Harbour is currently under planning, which is to be developed on a 99 year lease as an extension of the CBD, with mixed use development and a major headland waterfront park.

(iv) Public Engagement and Private Participation

35. Public engagement in the process of waterfront regeneration, development and enhancement is important to harbourfront management. It is a key institutional arrangement for the government to consult public opinion, obtain public input, raise public awareness, harmonize conflicting interests, increase legitimacy, cultivate a sense of identity and ownership, and rally popular support with the ultimate objective of sustaining the on-going development of a vibrant and people-oriented harbourfront. Current research has shown the public's growing interest on harbourfront development and management. The top-down

approach practiced in Singapore for riverfront development has made public consultation limited in scale and participation passive in nature. Recently, the URA has acknowledged the lack of public participation and thus expressed the desire for augmenting public involvement and getting active feedback from the public on the Marina Bay development plan and other riverfront projects. The exhibition of riverfront development plans and projects organized by the URA in their Hall is one major effort for arousing public interest and promoting public engagement. For the development and enhancement of Sydney's harbour, local consultation is required at the policy and planning stage to assure local community endorsement and obtain popular support. Indeed the public input has led to a number of modifications in the planning of the Barangaroo development.

36. Private participation has been increasingly recognized as an important mechanism for channeling private resources to finance the development of the waterfront, for obtaining creative business ideas on waterfront development, for importing innovative management practices and a business model of management. Using private resources was the URA's basic strategy in the regeneration of the Singapore River. The Singapore Riverfront Enhancement Plan and the Master Plan 2003, developed with the support of public funds, has provided the framework for attracting private redevelopment initiatives and investment, albeit most major investments come from government owned business organizations. Such a trend is more pronounced in the case of Sydney's harbourfront enhancement, where public policy makes development initiatives and private investment dominant. This can best be illustrated through the development of Darling Harbour and The Rocks. Recently, the private sector was involved substantially in the planning of the Barangaroo development by providing development ideas and project designs, which is based on an international design competition.

c. Management Models and Implementation

37. We observed that there are various waterfront management models, where most places use a combination depending on the specific circumstances.
  - (i) Centralized vs. Localized
38. Sustainable development of the waterfront requires a strong and centralized waterfront authority to lead and organize the entire effort for realizing the policy

vision of waterfronts. In Singapore, the URA is the lead agency at the national level responsible for accomplishing the task of Singapore River regeneration and Marina Bay Development. Its responsibilities include planning, development, land sales and management of the riverfront and waterfront. While planning and development policies are centralized, individual riverfront projects are localized. For example, the concept plan of Marina Bay was developed by the URA and the development project handed to the Marina Bay Development Agency, a department of URA. Similarly, state-level harbourfront enhancement endeavors of Sydney have been undertaken mainly by the SHFA since 1999, which has the full responsibility of planning, development and management. However, the Barangaroo development will be undertaken by a separate agency. The SPC and NSWMA manage the harbour and the marine activities.

(ii) Integrated vs. Functional

39. The pre-requisite for a strong and centralized waterfront authority is functional integration in a holistic way in order to get away from bureaucratic fragmentation and functional departmentalization. To be vertically integrated, there must be one single government agency with full responsibility from planning, development and implementation, to the management of the waterfront. At the same time, it is the leading agency within the inter-agency effort to achieve horizontal functional coordination and integration with the ability and resources for policy delivery on its own, even in the absence of bureaucratic support from other functional departments. This can take place at both national and local level. In Singapore, the URA is the lead agency at the national level fully in charge of riverfront regeneration, with independent financial resources coming from the disposal of lands leased from the government. The Marina Bay Development Agency is its local agency in charge of developing Marina Bay in an integrated and holistic fashion, discharging the full functions of concept planning, urban design, development control, sale of sites, development coordination, marketing of the area, attracting investors, maintaining public spaces, place management and creating events to make the area a destination. In Sydney, the lead agency at the state level is the SHFA, which holds a strong position in that it owns land in the harbourfront areas. The Barangaroo development project in East Darling Harbour is to be developed in a holistic way by a separate agency. The SPC and NSWMA are responsible for the Harbour, marine activity within and development on reclaimed land.

(iii) Public-Private Partnership (PPP)

40. PPP has emerged as a desirable alternative to bureaucratic operation and provision, particularly under the growing influence of Osborne and Gaebler's idea of "reinventing government" since the 1990s. Indeed, the private sector can provide the necessary capital, business ideas, and management expertise that are often not available in the public sector. In Singapore, the URA set the framework through the Singapore River Enhancement Plan for forging PPP to use private resources for carrying out redevelopment and enhancement, as well as invite development projects delivered by the private sector along the river - the Robertson Quay, Clarke Quay and Boat Quay. PPP is basically a state-led effort in Singapore, as major business organization are government owned, most notably, the Singapore Cruise Centre which eventually became a private limited company. In Sydney, the planning of Barangaroo by the SHFA is to provide a framework for PPP and private investment. In addition, the SPC and NSWMA also serve as platforms for organizing PPPs and facilitating private initiatives.

\* \* \* \* \*