

立法會
Legislative Council

LC Paper No. CB(1)1633/08-09
(These minutes have been seen
by the Administration)

Ref : CB1/PL/DEV/1

Panel on Development

Minutes of meeting
held on Tuesday, 24 February 2009, at 4:00 pm
in Conference Room A of the Legislative Council Building

- Members present** : Hon LAU Wong-fat, GBM, GBS, JP (Chairman)
Prof Hon Patrick LAU Sau-shing, SBS, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Hon WONG Yung-kan, SBS, JP
Hon Emily LAU Wai-hing, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Albert CHAN Wai-yip
Hon LEE Wing-tat
Hon Alan LEONG Kah-kit, SC
Hon CHEUNG Hok-ming, SBS, JP
Hon KAM Nai-wai, MH
Hon Cyd HO Sau-lan
Hon Starry LEE Wai-king
Hon Tanya CHAN
Dr Hon Priscilla LEUNG Mei-fun
Hon IP Kwok-him, GBS, JP
Dr Hon Samson TAM Wai-ho, JP
- Members absent** : Dr Hon Philip WONG Yu-hong, GBS
Hon Mrs Regina IP LAU Suk-ye, GBS, JP

**Public officers
attending** : **Agenda item V**

Mrs Carrie LAM CHENG Yuet-ngor, JP
Secretary for Development

Ms Janet WONG Wing-chen, JP
Deputy Secretary for Development (Works) 1

Mr Edwin TONG Ka-hung
Chief Assistant Secretary for Development (Works) 3

Agenda item VI

Mrs Carrie LAM CHENG Yuet-ngor, JP
Secretary for Development

Mr LING Kar-kan
Principal Assistant Secretary for Development
(Planning and Lands) 5

Mr Raymond WONG Wai-man
Assistant Director of Planning/Territorial

Mr LIU Chun-san
Chief Engineer/Project 2 (Acting)
(New Territories North and West)
Civil Engineering and Development Department

Agenda item VII

Mr Tommy YUEN Man-chung, JP
Deputy Secretary for Development
(Planning and Lands) 2

Mr Edward TO Wing-hang
Principal Assistant Secretary for Development
(Planning and Lands) 3

Mr LAM Siu-tong
Deputy Director of Buildings

Mr HUI Siu-wai
Assistant Director of Buildings (Support)

Attendance by invitation : Agenda item V

Mr Bernard CHAN
Chairman
Advisory Committee on Revitalization of Historic Buildings

Clerk in attendance : Ms Anita SIT
Chief Council Secretary (1)4

Staff in attendance : Mr WONG Siu-yee
Senior Council Secretary (1)7

Ms Christina SHIU
Legislative Assistant (1)7

Action

I Confirmation of minutes and matters arising

(LC Paper No. CB(1)817/08-09 -- Minutes of meeting on 25 November 2008)

The minutes of the meeting held on 25 November 2008 were confirmed.

II Information papers issued since last meeting

(LC Paper No. CB(1)710/08-09(01) -- Referral from the Complaints Division dated 29 January 2009 on issues relating to enhancing the existing town planning mechanism and policy and suggestion of restructuring the Town Planning Board

LC Paper No. CB(1)711/08-09(01) -- Submission on matters relating to Hopewell Centre II from E T Farnworth dated 15 January 2009)

LC Paper No. CB(1)833/08-09(01) -- Submission on Wolong reconstruction projects from Business Environment Council dated 16 February 2009

LC Paper No. CB(1)839/08-09(01) -- Administration's paper on

PWP Item No. 716CL -
Tseung Kwan O further
development - infrastructure
works for Tseung Kwan O
Stage I landfill site

LC Paper No. CB(1)840/08-09(01) -- Submission on lowering the compulsory sale threshold under the Land (Compulsory Sale for Redevelopment) Ordinance from a member of the public dated 5 February 2009

LC Paper No. CB(1)869/08-09(01) -- Referral from the Panel on Home Affairs on issues relating to clearance of unauthorized building works)

2. Members noted that the above information papers had been issued since the last meeting.

III Items for discussion at the next meeting

(LC Paper No. CB(1)816/08-09(01) -- List of outstanding items for discussion

LC Paper No. CB(1)816/08-09(02) -- List of follow-up actions)

3. Members agreed that the following items would be discussed at the regular meeting scheduled for 31 March 2009 and that the meeting would be extended to 5:30 pm to allow sufficient time for discussion --

- (a) Implementation of Kai Tak Development -- infrastructure and environmental improvement to Kai Tak Approach Channel;
- (b) PWP items no. 5035CG -- Greening Master Plan for Kowloon West -- studies and works, 5036CG -- Greening Master Plan for Hong Kong Island -- studies and works; and 5040CG -- Greening Master Plan for Kowloon East -- studies and works; and
- (c) Item related to the Budget (title to be confirmed after release of the Budget).

IV Proposal for appointment of a subcommittee to study urban renewal matters

(LC Paper No. CB(1)656/08-09(03) -- Letter dated 19 January 2009 from Hon Cyd HO Sau-lan

LC Paper No. CB(1)875/08-09(01) -- Submission on Review of the Urban Renewal Strategy from 舊區住屋權益社工聯席 dated 20 February 2009)

4. Members noted the paper provided by Hon Cyd HO Sau-lan and tabled at the meeting on the proposed terms of reference, scope of study and time frame for the proposed subcommittee to study urban renewal matters.

(Post-meeting note: The paper (LC Paper No. CB(1)913/08-09(01)) was issued to members on 25 February 2009.)

5. Ms Cyd HO said that the proposal for appointment of a subcommittee to study urban renewal matters had been raised previously. As the Administration and the Urban Renewal Authority were conducting a review of the Urban Renewal Strategy, she considered it desirable for the Panel to appoint a subcommittee to study urban renewal matters. She noted that the Legislative Council Secretariat was conducting a review on the resource implications in relation to the provision of support services to subcommittees on policy issues and there was a recommendation that each Panel should have not more than one subcommittee in action at any one time. As such, the subcommittee to study urban renewal matters could be formed when a vacant slot was available. Alternatively, a subcommittee could be proposed to be appointed under the House Committee.

6. The Chairman relayed the views of Mrs Regina IP that it was undesirable to set up too many subcommittees under the Panel. She did not support the appointment of a subcommittee under the Panel to study urban renewal matters, but agreed that the Panel could hold additional meetings to discuss urban renewal matters.

7. Mr IP Kwok-him said that having too many subcommittees at work at the same time might overburden members. It was inappropriate to appoint a subcommittee to study urban renewal matters at present because the Panel could follow up the matters. He found it acceptable to consider the appointment of such a subcommittee after the Subcommittee on Harbourfront Planning had completed its work.

8. Mrs Sophie LEUNG expressed the view that it would be more appropriate for the Panel to follow up urban renewal matters rather than setting up a subcommittee for the purpose.

9. Ms Emily LAU said that appointing a subcommittee would facilitate more focused discussion of the subject matter. She considered that such a subcommittee could be appointed after the Subcommittee on Harbourfront Planning had completed its work.

10. Mr Alan LEONG shared Ms Emily LAU's views and said that before the appointment of the subcommittee, the Panel should discuss the review of the Urban Renewal Strategy on a regular basis.

11. Mr IP Kwok-him shared the view that the Panel should discuss the review of the Urban Renewal Strategy at future meetings.

12. Mr James TO said that the Panel might need to re-prioritize its work. An option was to conclude the work of the Subcommittee on Harbourfront Planning first, as harbourfront planning was very long-term work which could not be completed within a short time.

13. Ms Cyd HO agreed that the subcommittee could be appointed after the Subcommittee on Harbourfront Planning had completed its work. Alternatively, the Panel could hold a special meeting each month to discuss the subject matter and receive views from deputations. She envisaged that the Panel would have to hold six to nine special meetings and complete its work before the end of 2009.

14. Mr CHAN Kam-lam queried whether it was necessary to hold a special meeting each month to discuss a single item. He noted that an item on the work of the Urban Renewal Authority had already been proposed for discussion in the second quarter of 2009. Many other important items such as the Small House Policy and Kai Tak Development remained yet to be discussed and a balance was needed. As the review of the Urban Renewal Strategy was in progress, interested parties could submit their views to the Administration and the Administration would report to the Panel on the review. There would be a lot of opportunities for discussing urban renewal matters. If required, special meetings could be held, but not necessarily every month. He did not support the appointment of a subcommittee to study urban renewal matters.

15. Ms Cyd HO said that some members would be willing to spend more time to discuss urban renewal matters and appointing a subcommittee would facilitate interaction between the Administration and the Legislative Council.

16. The Chairman said that the Panel had discussed and received public views on urban renewal matters in the past. Holding special meetings could also facilitate focused discussion but there was no need to hold a special meeting every month. This arrangement had the merit of avoiding the setting up of too

many subcommittees. It was not necessary to appoint a subcommittee at present and the Panel could hold a special meeting in the first instance.

17. Ms Cyd HO said that deputations should be invited to attend the special meeting.

18. The Chairman suggested that the special meeting could be held in April 2009 and the exact timing could be decided later. Members agreed to the arrangement.

V Revitalization of historic buildings through Partnership Scheme -- Batch I & Batch II

(LC Paper No. CB(1)816/08-09(03) -- Administration's paper on Revitalising Historic Buildings Through Partnership Scheme

LC Paper No. CB(1)816/08-09(04) -- Paper on Revitalizing Historic Buildings Through Partnership Scheme prepared by the Legislative Council Secretariat (Background brief))

19. Members noted a paper tabled at the meeting on issues raised at the meeting on 5 February 2009 between Legislative Council Members and Sham Shui Po District Council members on conservation of historic buildings.

(Post-meeting note: The above paper (LC Paper No. CB(1)913/08-09 (02)) was issued to members on 25 February 2009.)

20. The Secretary for Development (SDEV) briefed members on the progress of the Batch I exercise of the Revitalizing Historic Buildings Through Partnership Scheme (Revitalization Scheme). She said that the response was keen, with 114 applications received. After two rounds of assessment, six projects had been selected. The Administration had earmarked \$1 billion for renovating the historic buildings and \$100 million for meeting the cost of the Scheme, including the provision of subsidy to the social enterprises should they require start up cost or to meet deficit in the first two years of operation. The Government would charge nominal rentals, retain the titles of the land and buildings concerned, monitor the projects through service and tenancy agreements and could re-enter the buildings if and when necessary. The tenancy would normally be four years except for one project involving the provision of education programmes. The Administration did not adopt a commercial-oriented approach and the proposals had been assessed based on

five aspects of assessment with equal weighting. Unsuccessful applicants could enquire about the details of the assessment of their proposals. However, to respect applicants, the Administration could not unilaterally disseminate their proposals or the relevant assessment details. In implementing Batch I of the Revitalization Scheme, the Administration had responded to members' earlier concerns about public accessibility and barrier-free access to the heritage buildings, preservation of the characteristics of the heritage buildings and adopting the point-line-plane approach in heritage conservation.

21. Mr Bernard CHAN, Chairman of Advisory Committee on Revitalization of Historic Buildings, said that members of the Advisory Committee on Revitalization of Historic Buildings (AC) had assessed the revitalization proposals in a comprehensive and independent manner. The AC spent a few hours to discuss the revitalization proposals for North Kowloon Magistracy. Among the non-official members of the AC, except one who declared interest, all the other nine had participated in the discussion of the revitalization proposals for North Kowloon Magistracy.

Revitalization of North Kowloon Magistracy

22. Miss Tanya CHAN, Mr James TO and Mr Alan LEONG expressed concern about the duration of the tenancy for SCAD Foundation (Hong Kong) Limited (SCAD). Miss Tanya CHAN asked why the duration of the tenancy for SCAD was longer. SDEV said that the tenancy for the revitalization projects would normally be three to six years and that for SCAD would be near the upper end. As SCAD would launch bachelor's and master's degree programmes, a longer tenancy duration was appropriate and in the interest of the students.

23. Miss Tanya CHAN asked whether the assumption of the capital cost and operating cost by the applicant had been a favourable factor in the assessment of the proposals. Mr Bernard CHAN, Chairman of AC, responded that the assumption of the capital cost by the applicant was not a requirement of the Revitalization Scheme. The need for Government subsidy in capital cost would only become a consideration if two applicants had satisfied all the other aspects of assessment to the same extent. However, this did not happen when the AC assessed the proposals for revitalizing North Kowloon Magistracy.

24. Miss Tanya CHAN expressed concern about how revitalization of North Kowloon Magistracy by SCAD could be monitored because funding approval from the Finance Committee of the Legislative Council for the project's capital cost was not needed. Mr KAM Nai-wai was also worried that the Legislative Council would be bypassed and expressed concern about how it could monitor the project when no Legislative Council Members were on the AC. He further asked whether District Councils had representatives on the AC.

25. SDEV responded that for the revitalization of North Kowloon Magistracy, the Administration had no intention to bypass the Legislative Council. As SCAD would use its own funds for meeting the capital cost and operating cost, there was no need to submit any funding proposal for such purposes. As regards District Councils' participation in the revitalization projects, she explained that as District Councils could be supporters of certain revitalization proposals, it was inappropriate to enlist District Council representatives in the assessment of proposals. However, District Councils' views could be sought at the early stage. She added that the Administration would brief the Sham Shui Po District Council on SCAD's proposal shortly.

26. Mr KAM Nai-wai sought explanation on why the proposal from the Chinese Artists Association of Hong Kong was not selected. Miss Tanya CHAN suggested that the Administration should consider disclosing the unsuccessful proposals so that future applicants could better prepare their proposals. Ms Emily LAU suggested that the Administration should seek the consent of the applicants for disclosing their proposals to the public.

27. SDEV said that it was inappropriate for the Administration to disclose unilaterally the reasons for not selecting a certain proposal. Mr Bernard CHAN, Chairman of AC, added that the privacy of the unsuccessful applicants should be respected. SCAD was selected because of the capacity, experience and track record of The Savannah College of Art and Design in implementing revitalization projects in the United States of America. SCAD also had a competitive edge in the aspect of financial viability.

28. Mr Albert CHAN said that all the proposals could be disclosed if the AC and the applicants agreed to do so. He was shocked at the xenophobic sentiments against an overseas organization which was willing to carry out heritage revitalization work in Hong Kong. He considered that the selection of the revitalization projects was in general successful and the Administration should not back away when faced with criticisms. Compared with the revitalization of the former Tsim Sha Tsui Marine Police Headquarters Compound, the six selected projects were much better. The direction and focus of the proposals were important elements. The comments made by the Chinese Artists Association of Hong Kong had missed the point because the revitalization of North Kowloon Magistracy was a revitalization initiative, not an initiative for promoting Chinese opera.

29. Ms Cyd HO considered it an unfortunate decision to have selected SCAD's revitalization proposal. As the revitalized North Kowloon Magistracy would be used for education purposes, she considered the revitalization project involved various policy issues. She asked whether the Education Bureau and other policy Bureaux had been consulted. The Administration had not consulted the public on an important policy change. It should accord priority to local

education institutions because some local education institutions needed space. The Administration did not provide space for institutions like Chu Hai College of Higher Education and Hong Kong Shue Yan University. Besides, she considered that the education institution to be selected for the revitalization project should have good academic standards. However, the media reported that The Savannah College of Art and Design ranked 134th in the United States of America, while The Hong Kong Polytechnic University ranked 40th. SCAD would offer programmes of a technical nature with tuition fees as high as \$210,000. The Hong Kong Polytechnic University had received international awards but its tuition fees were only about \$40,000.

30. In response, SDEV clarified that the Revitalization Scheme was implemented under the heritage conservation policy and there was no policy change on the education front. The Education Bureau welcomed SCAD's proposal because it would offer more choices for students. The Commerce and Economic Development Bureau also welcomed SCAD's proposal and it had issued a statement in this regard. The social value of the proposal was one of the aspects for assessment. She emphasized that the purpose of the Revitalization Scheme was not to provide accommodation for the applicants. She had reservations on Ms Cyd HO's criticisms against the academic standards of The Savannah College of Art and Design. Mr Bernard CHAN, Chairman of AC, added that the Newsweek magazine of the United States of America reported positively in 2006 on the academic standards of The Savannah College of Art and Design. The tuition fees charged by SCAD were comparable to those of other colleges in the United States of America. For the art and design school to be operated in the revitalized North Kowloon Magistracy, SCAD would enroll about 50% of its students from Hong Kong and the rest would be from other places.

31. Noting this, Ms Emily LAU requested the Administration to provide information to explain in greater detail the basis of selecting SCAD to revitalize North Kowloon Magistracy under the Revitalization Scheme.

(Post-meeting note: The requested information has been provided by the Administration vide its follow-up paper LC Paper No. CB(1)1358/08-09(01) issued to members on 22 April 2009.)

32. Mr James TO considered that the results of the Batch I exercise were agreeable. It was worthwhile to proceed with SCAD's proposal. If SCAD's tuition fees were really too high, its programmes could not sustain for a long time. However, it was possible that its programmes could sustain because there was such demand and people were willing to pay higher tuition fees for its programmes. He enquired about the cost to be borne by SCAD for renovating North Kowloon Magistracy.

33. The Deputy Secretary for Development (Works)1 (DS(W)1) responded that the AC considered SCAD's proposal the best for revitalizing North Kowloon Magistracy. The anticipated number of students and financial projections of the proposal were reasonable. SCAD would spend about \$97 million for renovating North Kowloon Magistracy and the building would remain in good conditions for a reasonable period of time after renovation.

34. Mr Alan LEONG considered that an opportunity for collaboration among the cultural, professional and business sectors was lost because the proposal from the Chinese Artist of Hong Kong was not selected. It could achieve the purpose of providing an opportunity for collaboration to obtain a synergy effect. He expressed concern about whether the five aspects of assessment were of equal importance and whether the need for Government subsidy was of secondary importance. Miss Tanya CHAN asked how the Administration would handle the situation if two applicants received the same marks in all other aspects except the need for Government subsidy. Ms Emily LAU also sought explanation on the aspects of assessment in relation to Government subsidy. She asked whether the Administration would incline to select applicants possessing more financial resources.

35. SDEV responded that although not a criterion for assessing proposals under Batch I of the Revitalization Scheme, cross-sector collaboration had all along been one of the considerations in implementing Government policies. The Administration would discuss with the AC on the merits and demerits of including cross-sector collaboration as a criterion for assessment. Mr Bernard CHAN, Chairman of AC said that each of the five aspects had the same weighting of 20%. SCAD did not receive the highest marks in the first round selection. After providing further supporting information, its marks had increased in the subsequent round. In the North Kowloon Magistracy case, the AC had not considered the situation under which two applicants received the same marks in all other aspects except the need for Government subsidy for capital cost. Other applicants received quite good marks in the first three aspects but SCAD was outstanding in the last two aspects. It obtained favourable assessment in the financial aspects because of the long-term financial sustainability of its proposal, not because no Government subsidy for capital cost was required. The marks awarded for financial viability depended on the financial sustainability of the proposals. Long-term financial viability was important. In assessing SCAD's proposal, whether SCAD had the ability to attract the anticipated number of students was important in the sustainability of the proposal. If a proposal obtained high marks in one aspect but was inadequate in other aspects, its chance of being selected would be affected. Some applicants might have a better chance of being selected if they had chosen another heritage building for their revitalization proposals. DS(W)1 clarified that financial considerations could be viewed from different angles: technical components such as whether the costs proposed were reasonable for the works to be

implemented (criterion 2); whether the social enterprise was a viable and sustainable business on its own (criterion 4); and whether the applicant had good financial background (criterion 5).

36. Dr Priscilla LEUNG declared that the City University of Hong Kong was requested by the Sham Shui Po District Council to submit a proposal for revitalizing North Kowloon Magistracy. However, it did not submit any proposal in the end due to transport considerations. She asked how SCAD had convinced the AC that its project could bring about integration between the revitalized North Kowloon Magistracy and the old district of Shek Kip Mei.

37. Mr Bernard CHAN, Chairman of AC, said that although success in the United States of America would not guarantee success in Hong Kong, The Savannah College of Art and Design had experience in revitalizing a whole town in the United States of America. SCAD would collaborate with the Sham Shui Po District Council and other education institutions in implementing its revitalization project. DS(W)1 added that SCAD would conduct guided tours and organize art exhibitions. It would collaborate with local bodies such as the Jockey Club Creative Arts Centre operated by Hong Kong Baptist University. It had also written to the Sham Shui Po District Council to solicit the views of the local community on its revitalization project. Revitalization of North Kowloon Magistracy and revitalization of Mei Ho House demonstrated the point-line-plane approach in heritage conservation.

Conditions in the service/tenancy agreements

38. Mr James TO enquired about the conditions under which the Administration would re-enter the heritage buildings so that they could be used for other revitalization projects if the existing projects became financially unviable and had to be terminated. In response, SDEV and DS(W)1 advised that the Government would retain the titles of the heritage buildings and enter into service/tenancy agreements with the successful applicants. The Administration would carefully consider the circumstances under which it would re-enter the buildings and specify relevant conditions in the service/tenancy agreements.

39. Noting this, Mr KAM Nai-wai requested the Administration to provide information to demonstrate how it could re-enter the heritage buildings through specifying conditions in the service agreements and/or tenancy agreements.

(Post-meeting note: The Administration has provided relevant information vide LC Paper No. CB(1)1358/08-09(01) issued to members on 22 April 2009.)

40. Ms Cyd HO shared the view that the Administration should provide information on the service/tenancy agreements because the agreements would

affect the monitoring of the selected projects. She considered that there should be measures to prevent SCAD from transferring its funds to The Savannah College of Art and Design through means such as paying consultancy fees to the latter.

41. DS(W)1 explained that in the service/tenancy agreements, there would be general conditions to protect the interests of the Government. There would also be specific conditions for each revitalization project and the Administration would draw reference from previous Government agreements and suitably adapt them in formulating the service/tenancy agreements of the Revitalization Scheme. It would be reasonable for SCAD to pay fees such as software licence fees to The Savannah College of Art and Design. The Administration would consider whether the fees to be paid by SCAD to The Savannah College of Art and Design were on a cost-recovery basis, reasonable and legitimate.

42. Mr James TO opined that the conditions in the service/tenancy agreements could be different for organizations with different capabilities. By way of illustration, performance bonds could be considered for large organizations. He was worried that some large organizations might exploit loopholes in the service/tenancy agreements in relation to re-entry. SDEV noted Mr James TO's views and thanked him for his suggestion that there could be flexibility in determining the conditions in the service/tenancy agreements for individual projects.

General comments

43. Miss Tanya CHAN asked whether the Administration would conduct a review after implementing Batch I of the Revitalization Scheme. SDEV responded that there would be such a review, which would include a seminar. The Administration would invite more than 100 organizations to participate.

44. Noting this, Mr KAM Nai-wai asked when the Administration would brief the Panel on the review of the Revitalization Scheme. He considered it too early to conclude whether the Revitalization Scheme was successful or not. In response, SDEV said that the Administration would report the progress of the Revitalization Scheme to the Panel from time to time and, if necessary, consult the Panel on the relevant funding proposals for individual selected projects.

45. Mr Albert CHAN said that the Administration should clearly explain the assessment criteria to the applicants when implementing Batch II of the Revitalization Scheme. If Government subsidy was required, the applicants should provide a bond of undertaking. The Administration should fine-tune the Revitalization Scheme based on the experience gained from Batch I. He suggested that the Administration could consider conducting tender exercises on an international basis for implementing revitalization projects.

46. Mr Alan LEONG also considered that the Administration should clearly explain the assessment criteria and their relative importance. He asked whether those criteria would be refined when implementing Batch II of the Revitalization Scheme. He considered that conducting tender exercises on an international basis for heritage conservation projects would hinder the nurturing of local talents.

47. In response, SDEV said that the Administration would learn from experience when implementing Batch II of the Revitalization Scheme. If the bond of undertaking referred to by Mr Albert CHAN was meant to be a monetary one, the Administration had to carefully consider the suggestion because some applicants were small organizations incapable of providing such a monetary bond of undertaking. The Administration would refine the criteria for assessing proposals under Batch II of the Revitalization Scheme. It would adopt an open mind and take into consideration views received as appropriate.

48. Mr CHAN Kam-lam said that the Revitalization Scheme could be considered as quite successful and the Administration should follow this direction in future. He considered that some facilities in the revitalized buildings should be made accessible to the public. This should be a criterion for assessing the revitalization proposals. If tender exercises were conducted on an international basis, local organizations might not be able to compete with non-local organizations. It would be ideal if local organizations could revitalize local heritage buildings. Nevertheless, there was no need to resist or fawn on non-local organizations when assessing the proposals of the Revitalization Scheme. He urged the Administration to consider the above issues when implementing Batch II of the Revitalization Scheme.

49. In response, SDEV said that the Administration would study how to introduce enhancements when implementing Batch II of the Revitalization Scheme. The AC placed emphasis on public access to selected facilities in the revitalized buildings when assessing proposals in Batch I of the Revitalization Scheme. A certain percentage of the gross floor area in each Batch I heritage building would be made accessible to the public after revitalization of the buildings. By way of illustration, the public could have access to about 49% of the gross floor area of the revitalized Old Tai O Police Station, including outdoor space and facilities such as the exhibition gallery and gift shop.

50. Mr James TO considered it acceptable for the Government to bear the capital cost because it would retain the titles of the heritage buildings and the successful applicants were merely the Administration's agents in heritage preservation. The Administration could consider inviting revitalization proposals for the revitalized buildings again after a period of time so that other successful applicants could take turns to revitalize those buildings. SDEV

concluded that the successful applicants were the Administration's agents for bringing a new life to the heritage buildings. Public funds would be well spent because they would be used for conservation and revitalization of those heritage buildings.

VI Planning and engineering study for the Lok Ma Chau Loop

(LC Paper No. CB(1)816/08-09(05) -- Administration's paper on PWP Item No. 735CL - Planning and engineering study on development of Lok Ma Chau Loop : consultants' fees and site investigation

LC Paper No. CB(1)816/08-09(06) -- Paper on Lok Ma Chau Loop prepared by the Legislative Council Secretariat (Background brief))

51. The Principal Assistant Secretary for Development (Planning and Lands) 5 (PAS(P&L)5) briefed members on the Administration's proposal (LC Paper No. CB(1)816/08-09(05)) to upgrade 735CL entitled "Planning and engineering study on development of Lok Ma Chau Loop: consultants' fees and site investigation" to Category A for carrying out a planning and engineering study (the Study) and associated site investigation works for the proposed development of the Lok Ma Chau Loop (the Loop).

52. Mr CHEUNG Hok-ming expressed support for the Administration's proposal. The Democratic Alliance for the Betterment and Progress of Hong Kong and Heung Yee Kuk had explored the development of the Frontier Closed Area, in particular the Loop, and submitted a report to the Administration in 2004, suggesting that the Administration should proceed with the development of the Loop. He asked whether the Administration would consider recommendations for developing the Loop for high technology research and development and exhibition uses, and whether there would be good connection between the Loop and the North East New Territories New Development Areas. He expressed concern about whether the issue of contaminated mud in the Loop had been resolved.

53. In response, SDEV said that as the size of the Loop was only about 87 hectares, higher education would be the leading use, with some elements of high technology research and development facilities and creative industries. These proposed uses would tie in with the Outline of the Plan for the Reform and Development of the Pearl River Delta Region (2008-2020) (the Outline), which supported the establishment of higher education institutions in the Pearl River Delta. Given its space constraints, the room for including additional uses in the

Loop would be limited. PAS(P&L)5 added that the land in the Loop could not be used within a short period of time because a detailed study to be followed by engineering and environmental mitigation works would be needed. However, the timing of establishing higher education institutions by 2020 advocated by the Outline could be achievable under the Administration's tentative plan in developing the land in the Loop. There would be good connectivity between the Loop and the North East New Territories New Development Areas.

54. Mr CHAN Kam-lam asked whether the tender exercise for the Study would be conducted by Hong Kong or Shenzhen and whether different consultants would be engaged for the three Study Areas. He said that residents of the fringe areas of the Loop and Heung Yee Kuk had suggested that the study area of the Study could be expanded to cover those areas. He asked whether village removal was one of the considerations in not including those areas in the present Study.

55. The Assistant Director of Planning/Territorial responded that for Study Areas A and B, the tender exercise would be conducted by Hong Kong as one study assignment. Participation from Shenzhen in Study Area A during the course of the planning study was expected. For Study Area C, Shenzhen would conduct their tender exercise with Hong Kong as an observer. Apart from the Loop, separate studies were being conducted for the Frontier Closed Area and the North East New Territories New Development Areas, and there would be coordination among those studies with the present Study in view of the proximity of the areas concerned. Village removal was one of the considerations and it would depend on the need for development in future.

56. Mr CHAN Kam-lam considered that there should be good coordination between Hong Kong and Shenzhen in studying the three different study areas. He asked why some fringe areas of the Loop were included in the study for the Frontier Closed Area instead of Study Area B of the present Study. He considered that engaging the same consultant for studying the Loop and its fringe areas would enable greater consistency. He believed that local villagers and residents basically supported developing those fringe areas.

57. The Assistant Director of Planning/Territorial responded that there would be close coordination between the studies conducted separately by Hong Kong and Shenzhen as such a coordination mechanism for the Loop's development was already in place. Fringe areas with good connectivity and potential for development had been included in the present Study, i.e. in Study Area B. Other fringe areas were mainly hilly terrains or fish ponds and their potential and constraints for development had already been examined in the study for the Frontier Closed Area. There would be coordination among the various studies.

58. Mrs Sophie LEUNG said that she moved a motion in the Council in 2004 on developing the Loop and she had been proposing its development since 1998. She considered that Hong Kong and Shenzhen lacked sufficient human resources training, especially in areas to prepare the youth to face the 21st century and contribute to the development of the region. She agreed that higher education should be the leading use in the Loop. There should be collaboration between local and overseas education institutions in this regard. The development of the Loop should remain vibrant and evolve continuously after the initial stage. Its fringe areas would develop gradually according to the circumstances and it might not be opportune to set the intended uses at present. PAS(P&L)5 said that the Administration in general shared Mrs Sophie LEUNG's views.

59. Mr Alan LEONG enquired about the public engagement exercise for the development of the Loop. He also asked whether the Administration had approached local higher education institutions to ascertain their interest in developing the Loop for higher education activities.

60. In response, SDEV said that the details of the public engagement exercise were given in paragraphs 17 and 18 of the Administration's paper and the Administration would engage all relevant parties in the course of the Study. She believed that the number of interested parties would be substantial. Two local higher education institutions had already submitted detailed proposals in 2008. The Administration would discuss with other higher education institutions as well.

61. Ms Emily LAU asked whether the universities and research institutions to be established in the Loop would be local or international in nature. She was worried that local universities and research institutions might not be able to compete with international ones for the development opportunities in the Loop. In this regard, she expressed concern about the criteria that the Administration would use in choosing partner institutions. She considered that the partner institutions should not be limited to those in the region.

62. In response, SDEV said that Hong Kong's higher education institutions had attained international standards and the Administration would discuss with local higher education institutions in the first instance. At present, many local higher education institutions had been collaborating with internationally renowned non-local institutions in launching joint education programmes. Collaboration between local and non-local higher education institutions might also be adopted in developing the Loop. Nevertheless, the development proposal was still at the conceptual stage and the exact approach to be adopted would need further study.

VII Building (Minor Works) Regulation

(LC Paper No. CB(1)816/08-09(07) -- Administration's paper on Building (Minor Works) Regulation)

LC Paper No. CB(1)861/08-09(01) -- Paper on the Minor Works Control System prepared by the Legislative Council Secretariat (Background brief))

63. The Deputy Secretary for Development (Planning and Lands) 2 (DS(P&L)2) said that the Buildings (Amendment) Ordinance 2008, which introduced a minor works control system to provide simple and effective statutory procedures for carrying out small-scale building works, was passed by the Legislative Council in June 2008. The Administration had almost completed the drafting of the Building (Minor Works) Regulation (the Regulation). The major areas covered included classification of minor works and details of minor works items; simplified requirements for carrying out minor works; registration and provisional registration of Registered Minor Works Contractors; and the Household Minor Works Validation Scheme (the Validation Scheme). Subject to Members' advice, the Administration intended to introduce the Regulation into the Legislative Council as soon as possible.

64. Ms Emily LAU asked whether there were any controversial issues remained unresolved and enquired about the Administration's legislative timetable. DS(P&L)2 said that the Administration had conducted detailed consultation with the industry on the Regulation. The Bills Committee on Buildings (Amendment) Bill 2007 had discussed the relevant issues and solicited views from relevant parties. The Administration had taken those views into account when drafting the Regulation so as to reflect the agreed arrangements. The Administration planned to introduce the Regulation in March 2009. The Deputy Director of Buildings (DDB) added that controversial issues such as the party to be held responsible in different situations of non-compliance had been handled and resolved during the deliberations of the Bills Committee on Buildings (Amendment) Bill 2007. During the drafting of the Regulation, the Administration had consulted a working group comprising relevant professional organizations and the Minor Works Concern Group which represented frontline minor works practitioners. The working group found the Administration's proposal acceptable.

65. Mr CHAN Kam-lam asked whether the submission of record plans, certificates and documents to the Building Authority after completion of works was really necessary for Class III minor works, given that those works would be carried out by qualified practitioners in accordance with the relevant standards. DDB explained that the requirement was needed because those documents could

serve as records on the completed minor works. The records would facilitate the Buildings Department to provide information, upon the request of prospective property purchasers or their agents, on whether there were unauthorized building works in respect of a property. With proper records, the Buildings Department could ascertain whether the minor works concerned were completed legally. The submission procedures would be simple and standard forms would be used.

66. Mr CHAN Kam-lam said that if those records were not registered at the Land Registry, lawyers would have to conduct a search on the records kept by the Buildings Department to ascertain whether there were unauthorized building works in addition to conducting a land search. Furthermore, submission of documents in the past could not ensure that the relevant works were safe at present. In response, DDB said that the public and lawyers could access those records in the Buildings Department's Building Information Centre or, effective later this year, through the Internet by paying a small fee. The purposes of conducting a land search were unrelated to building safety. It was a safety issue if certain works became unsafe after a long time due to lack of maintenance, and the Buildings Ordinance (Cap. 123) already had adequate provisions to deal with this type of safety issues.

67. With regard to existing unauthorized minor household structures, Mr CHAN Kam-lam considered that mandatory inspection of all such structures might be a solution, but would bring inconvenience to the citizens who had to bear the costs for engaging qualified practitioners. He considered that in enhancing public safety, the minor works control system should not be too complicated and should not cause too many disturbances to the public.

68. DS(P&L)2 said that the minor works control system would encourage the implementation of authorized minor works through a simplified process. The Administration recognized that the introduction of the minor works control system could not completely solve the problem of unauthorized building works, but it had to strike a balance between enhancing building safety and minimizing inconvenience to owners. For existing unauthorized minor household structures, the launch of the Validation Scheme was based on safety considerations, not merely for the purpose of record keeping. DDB added that by joining the Validation Scheme, owners could retain existing minor household features that were certified to be safe.

69. Mr Albert CHAN said that regulation of existing household minor works should not be too strict. Otherwise, it would create panic and the public would be worried of being prosecuted. The Administration should not disregard the hardship that citizens would have to face. The Administration should handle the matter with care if citizens could be penalized or prosecuted for non-compliance. He expressed concern about whether owners would be required to carry out the inspection and necessary works on existing

unauthorized minor household structures within a specified period of time under the Validation Scheme. He was worried that the timing for carrying out the necessary works by individual owners for certification under the Validation Scheme might not tie in with the maintenance works carried out by owners' corporations. Furthermore, inspections carried out at one time could not ensure that the inspected structures would remain safe thereafter.

70. In response, DS(P&L)2 said that the Administration had taken note of Mr Albert CHAN's comments. He reiterated that the minor works control system was proposed to facilitate the implementation of minor works. It would not affect the existing enforcement policy on unauthorized building works. In response to Mr Albert CHAN's further enquiry, DS(P&L)2 said that owners of existing supporting frames for air conditioners would not be prosecuted when the minor works control system came into operation unless those structures posed dangers to the public.

71. The Chairman asked how different kinds of minor works would be classified. DDB explained that all minor works would be classified into three classes according to their nature, scale, complexity and the risk to safety they posed. Works such as installation of internal staircases connecting two floors would be classified as Class I minor works. Class II minor works were less complex works such as repair of external walls. Class III minor works covered small-scale works such as erection of supporting frames for air conditioners and drying racks.

72. Ir Dr Raymond HO expressed support for the Administration's proposal because it would benefit citizens by simplifying the procedures for implementing minor works. He believed that the public would welcome the proposal and considered that it should be implemented as soon as possible.

73. Mr James TO sought clarification on whether the implementation of the minor works control system would have the effect of legalizing existing unauthorized minor household structures. He also asked whether with the introduction of the Validation Scheme, the Administration would accord lower priority to taking enforcement actions on unauthorized minor household structures.

74. In response, DS(P&L)2 clarified that the minor works control system would not change the legal status of the existing unauthorized minor household structures. Through the Validation Scheme, the safety of existing unauthorized minor household structures could be ensured so that the Buildings Department would not take enforcement action on those validated structures unless there was a change in their safety conditions. The priority of taking enforcement actions against unauthorized minor household structures would not be affected.

75. Noting this, Mr James TO considered that the Validation Scheme would in fact lower the priority of taking enforcement actions against those validated structures. He sought clarification on whether the chances of taking enforcement action against validated structures would indeed be reduced.

76. DS(P&L)2 responded that the purpose of the Validation Scheme was to allow owners to retain validated structures which were safe for continued use. DDB added that the Buildings Department would not issue removal orders to owners of validated structures.

77. Mr Albert CHAN enquired whether the Administration would consider existing unauthorized minor household structures as new unauthorized building works if alteration, improvement and/or reinforcement works were carried out to meet the requirements of the Validation Scheme. DDB responded that validated structures would not be considered as new unauthorized building works.

78. Mr James TO said that some owners' corporations would be dissatisfied with the Validation Scheme because although they wanted to demolish unauthorized building works or report such works to the Buildings Department for taking enforcement action, they could not do so if owners were allowed to retain unauthorized minor household works. Owners' corporations might be held responsible for household minor works erected in public areas if accidents occurred.

79. In response, DDB said that the Validation Scheme was based on the premise of building safety. It would not undermine the powers of owners' corporations. If owners' corporations considered that structures erected by owners were in breach of the Deeds of Mutual Covenant or invaded into public areas, they could exercise their powers in accordance with the relevant provisions to demand those owners to rectify the situation.

VIII Any other business

80. There being no other business, the meeting ended at 6:55 pm.