

ITEM FOR PUBLIC WORKS SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 703 – BUILDINGS

Recreation, Culture and Amenities – Sports facilities

277RS – Sports centre between Tsuen Wan Park and Tsuen Wan Road, Tsuen Wan

Members are invited to recommend to the Finance Committee the upgrading of **277RS** to Category A at an estimated cost of \$765.6 million in money-of-the-day prices for the construction of a sports centre between Tsuen Wan Park and Tsuen Wan Road, Tsuen Wan.

PROBLEM

There are not enough facilities in Tsuen Wan to meet the needs of people in the community and to promote the development of sports.

PROPOSAL

2. The Director of Architectural Services, with the support of the Secretary for Home Affairs, proposes to upgrade **277RS** to Category A at an estimated cost of \$765.6 million in money-of-the-day (MOD) prices for the construction of a sports centre between Tsuen Wan Park and Tsuen Wan Road, Tsuen Wan.

/ **PROJECT.....**

PROJECT SCOPE AND NATURE

3. The project site occupies an area of about 6 400 square metres (m²) at the junction of Tsuen Wan Road and Wing Shun Street, Tsuen Wan. It is within the West Rail Tsuen Wan Area 6 site (TW6 site) of about 13 875 m² zoned “Comprehensive Development Area” for residential development. The proposed scope of works under **277RS** includes –

- (a) a main arena which could be used as one basketball court or one volleyball court or four badminton courts, with a seating capacity of about 1 900 (including 300 retractable seats);
- (b) a secondary hall which could be used as one basketball court or one volleyball court or four badminton courts with 220 fixed seats;
- (c) an activity room for indoor sports such as judo;
- (d) a dance room, a table-tennis room, a fitness room and a children’s play room;
- (e) an outdoor climbing wall; and
- (f) ancillary facilities, including a doping control room, a conference room, a public address control room, a first aid room, toilets with changing facilities, a management and booking office, admission facilities (for controlling the entry and exit of users), a staff room, a strong room, storerooms, a babycare room, landscaped areas, car parking spaces and other supporting facilities such as a switch room and plant rooms for air-conditioning.

4. A location plan of the proposed development is at Enclosure 1. Subject to funding approval by the Finance Committee and the resolution of detailed internal procedures, we intend to require the future developer of the residential property, through a development agreement with the Tsuen Wan Area 6 Property Development Ltd. (TW6PDL)¹, to design and construct the proposed sports centre.

/ JUSTIFICATION.....

¹ TW6PDL is a fully-owned subsidiary of the West Rail Property Development Ltd, which is jointly owned by the Government (49%) and Kowloon-Canton Railway Corporation (KCRC) (51%).

JUSTIFICATION

5. The proposed sports centre will serve residents of Tsuen Wan and New Territories West. Tsuen Wan District has a population of about 292 600, which is expected to increase to about 301 300 by 2019. The Hong Kong Planning Standards and Guidelines recommend the provision of five public indoor sports centres in the district. At present, there are four such centres in Tsuen Wan, namely the Yeung Uk Road Sports Centre, Tsuen King Circuit Sports Centre, Tsuen Wan West Sports Centre and Wai Tsuen Sports Centre. The indoor sports centres in Tsuen Wan have an average usage rate of around 80%, with the usage rate reaching 90% during peak hours in 2010-11. With the projected population increase in the district, the existing sports centres will not be able to meet the increasing local demand. The site of the proposed sports centre is close to several large-scale residential developments², the MTR Tsuen Wan West Station and a public transport interchange. The centre will therefore be well situated to serve both Tsuen Wan and New Territories West residents.

6. The proposed sports centre will also help to meet the increasing demand for sports facilities for staging major local and international sports events in Hong Kong. Currently, the Hong Kong Coliseum and the Queen Elizabeth Stadium (QES) are the only venues in Hong Kong suitable for holding major international indoor sports events. However, these venues are always in high demand for holding not only sports, but also entertainment and other events. For example, QES, which has around 3 500 seats, had an average usage rate of about 90% from 2008-09 to 2010-11. Sports bodies often find it difficult to reserve these venues for holding large scale competitions. With a seating capacity of up to 1 900 and a secondary hall which can serve as a warm-up area and ancillary facilities such as doping control room, the proposed sports centre would be equipped to host major local, regional and international sports events that most existing local indoor sports centres³ cannot accommodate. The availability of an additional sports venue with a large seating capacity and at a convenient location (close to the MTR Tsuen Wan West Station) will encourage local sports associations to bid to host more international level events. We will ensure that the main arena could be used by the public when it is not booked for holding international events (e.g., we will divide the main arena into four badminton courts for use by the public).

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² Including Riviera Gardens, Clague Garden Estate, Vision City, Chelsea Court, The Dynasty, and the future developments at the nearby Tsuen Wan 5 and Tsuen Wan 7 sites.

³ Most local indoor sports centres have a seating capacity between 400 and 800; and none of them has a secondary hall for warm-up purposes or a doping control room for doping control required by international competitions.

7. In accordance with the amended Master Layout Plan (MLP) for the TW6 site approved by the Town Planning Board (TPB) in February 2012, an area will be reserved within the TW6 site for development of a sports centre alongside with the residential property development. The TW6 site is located directly above the West Rail tunnels which are now in operation. In view of the stringent site constraints of the TW6 site (e.g. the West Rail Line tunnels underneath will remain in operation during construction of the residential development and the sports centre, and the TW6 site overlaps with a Drainage Reserve), and the need to tally the implementation programmes of the residential development and the sports centre at this congested site, there will be significant interfacing between design and construction issues between the residential development and the sports centre. Hence, it will be beneficial for the future developer to carry out the design and construction of the proposed sports centre such that works can be carried out in a more efficient and coordinated manner, so as to allow for better planning and to optimize the use of limited land.

8. The gross floor area (GFA) of the proposed sports centre will not be taken into account for the purpose of calculating the total GFA for residential purposes. Under the proposed arrangement, the developer will be responsible for the design and construction of the sports centre according to the Government's specifications and to the Government's satisfaction. The Government will, through TW6PDL, reimburse the developer the actual cost of design and construction of the sports centre, subject to a pre-determined financial ceiling established with reference to the design and construction costs of the sports centre as if it were to be designed and constructed by the Government. Upon completion, the relevant departments will take over the facilities for subsequent operation, management and maintenance.

FINANCIAL IMPLICATIONS

9. We estimate the capital cost of the sports centre under 277RS to be \$765.6 million in MOD prices (please see paragraph 10 below), broken down as follows –

	\$ million
(a) Site works	6.2
(b) Piling	50.3
(c) Building	259.1
(d) Building services	107.5
	/\$ million.....

	\$ million	
(e) Drainage	3.9	
(f) External works	5.1	
(g) Additional energy conservation measures	7.4	
(h) Furniture and equipment ⁴	8.1	
(i) On-cost payable to the developer through TW6PDL ⁵	54.9	
(j) Contingencies	50.3	
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Sub-total	552.8	(in September 2011 prices)
(k) Provision for price adjustment	212.8	
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Total	765.6	(in MOD prices)
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The construction floor area (CFA) of **277RS** is about 12 800 m². The estimated construction unit cost, represented by the building and building services costs, is about \$28,641 per m² of CFA in September 2011 prices. We consider this reasonable as compared with similar projects undertaken by the Government.

10. Subject to approval, we will phase the expenditure based on the implementation programme assumed in paragraph 11, as follows –

/ Year.....

⁴ The estimated cost is based on an indicative list of furniture and equipment required.

⁵ On-cost payable to the developer through TW6PDL for the works of the proposed sports centre will be 12.5% of the estimated construction cost. The amount will cover the developer's on-cost (including design and construction supervision), which is estimated based on the average on-costs of the Architectural Services Department's similar outsourced projects. The on-cost will be reimbursed to the developer through TW6PDL on an actual cost basis.

Year	\$ million (Sept 2011)	Price adjustment factor	\$ million (MOD)
2017 – 18	491.7	1.37656	676.9
2018 – 19	61.1	1.45227	88.7
	552.8		765.6

11. We have derived the MOD estimates on the basis of the Government's latest set of assumptions on the trend rate of change in the prices of public sector building and construction output for the period 2017 to 2019. Subject to funding approval of the Finance Committee, internal procedures and the latest development timetable of the TW6 site, the construction works of the sports centre is expected to commence in early 2015 for completion in 2017.

12. We estimate the annual recurrent expenditure arising from this project to be about \$18.4 million. The capital and recurrent costs of the sports centre would be partly recovered from the relevant users, and would be taken into account in conducting future fee setting and review exercises.

PUBLIC CONSULTATION

13. We consulted the Culture, Recreation and Sports Committee of the Tsuen Wan District Council (TWDC) on the project in July 2007 and the TWDC in February 2012. Members supported the project and requested its early implementation.

14. We submitted a paper on the proposed project to the Legislative Council Panel on Home Affairs on 4 May 2012. Members have no adverse comments on the project.

ENVIRONMENTAL IMPLICATIONS

15. The project is not a designated project under the Environmental Impact Assessment Ordinance (Cap. 499). The project will not cause long-term environmental impacts. We have included in the project estimates the cost to implement suitable mitigation measures to control short-term environmental impacts.

16. During construction, the developer will be required to control noise, dust and site run-off nuisances to within established standards and guidelines through the implementation of mitigation measures in the relevant contract. These include the use of silencers, mufflers, acoustic lining or shields, and the building of barrier wall for noisy construction activities, frequent cleaning and watering of the site, and the provision of wheel-washing facilities.

17. At the planning and design stages, the developer will be required to consider measures to reduce the generation of construction waste where possible. The developer will require the contractor to reuse inert construction waste (e.g. excavated soil) on site or in other suitable construction sites as far as possible, in order to minimise the disposal of inert construction waste at public fill reception facilities⁶. The developer will encourage the contractor to maximise the use of recycled/ recyclable inert construction waste, and the use of non-timber formwork to further reduce the generation of construction waste.

18. At the construction stage, the developer will require the contractor to submit for approval a plan setting out the waste management measures, which will include appropriate mitigation means to avoid, reduce, reuse and recycle inert construction waste. The developer will ensure that day-to-day operations on site comply with the approved plan. The developer will require the contractor to separate the inert portion from non-inert construction waste on site for disposal at appropriate facilities, and to control the disposal of inert construction waste and non-inert construction waste at public fill reception facilities and landfills respectively through a trip-ticket system.

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⁶ Public fill reception facilities are specified in Schedule 4 of the Waste Disposal (Charges for Disposal of Construction Waste) Regulation. Disposal of inert construction waste in public fill reception facilities requires a licence issued by the Director of Civil Engineering and Development.

19. We estimate that the project will generate in total about 16 849 tonnes of construction waste. Of these, the developer is expected to reuse about 6 283 tonnes (37.3%) of inert construction waste on site and deliver 8 078 tonnes (47.9%) of inert construction waste to public fill reception facilities for subsequent reuse. The developer is expected to dispose of the remaining 2 488 tonnes (14.8%) of non-inert construction waste at landfills. The total cost for accommodating construction waste at public fill reception facilities and landfill sites is estimated to be about \$0.5 million for this project (based on a unit cost of \$27 per tonne for disposal at public fill reception facilities and \$125 per tonne⁷ at landfills).

HERITAGE IMPLICATIONS

20. The project will not affect any heritage site, i.e. all declared monuments, proposed monuments, graded historic sites/buildings, sites of archaeological interests and Government historic sites identified by the Antiquities and Monuments Office.

LAND ACQUISITION

21. The project does not require any land acquisition.

ENERGY CONSERVATION MEASURES

22. The sports centre shall be designed and constructed with due consideration to its environmental performance such as application of energy efficient building services installations. The developer will be requested to adopt a green building design and environmental and energy conservation measures in the construction of the sports centre according to the prevailing guidelines and requirements of the Government. The cost estimate of the sports centre has included the costs of such design and measures.

BACKGROUND INFORMATION

23. We upgraded **277RS** to Category B in May 2012.

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⁷ This estimate has taken into account the cost for developing, operating and restoring the landfills after they are filled and the aftercare required. It does not include the land opportunity cost for existing landfill sites (which is estimated at \$90 per m³), nor the cost to provide new landfills (which is likely to be more expensive), when the existing ones are filled.

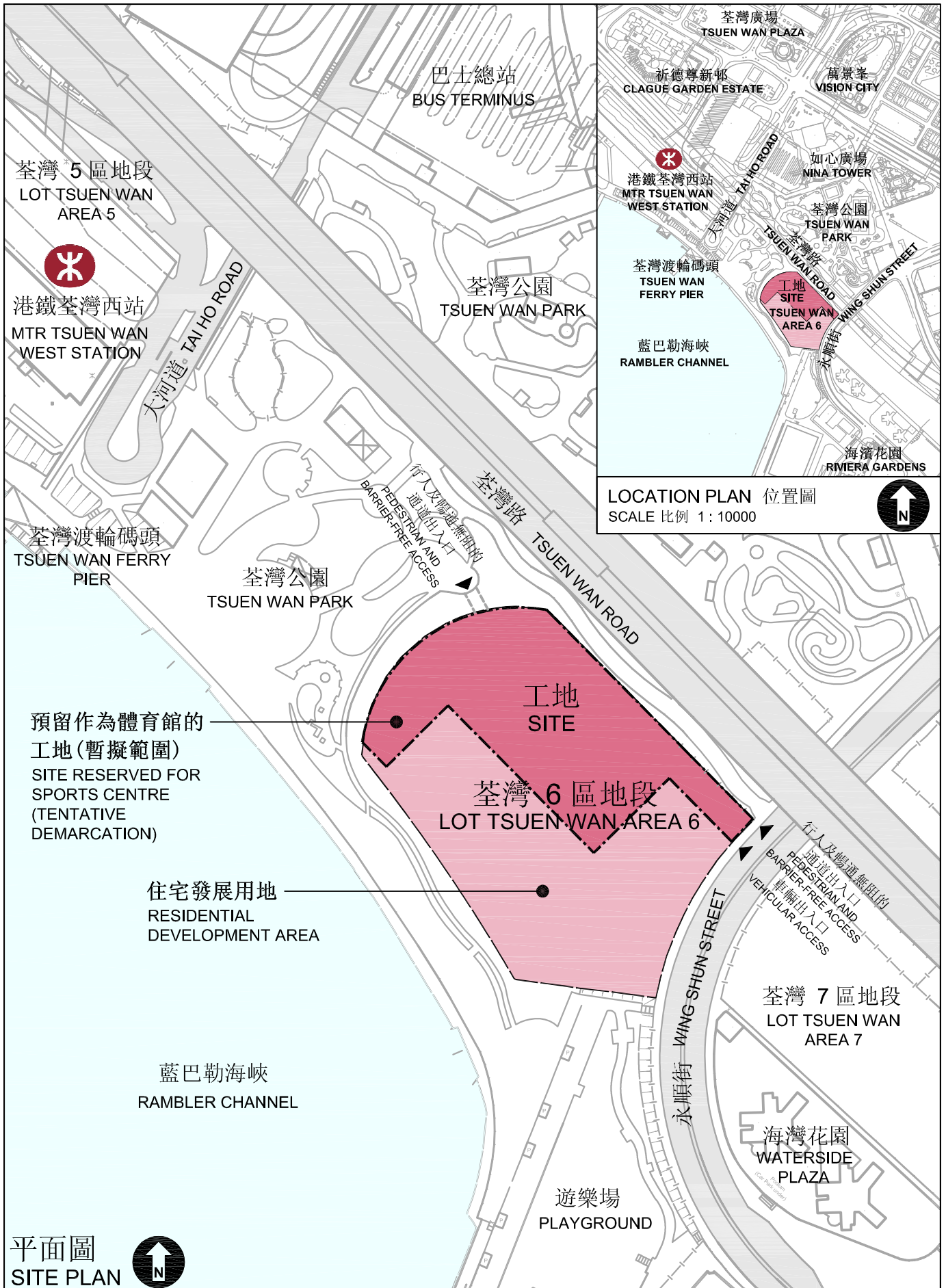
24. As the design of the proposed sports centre will be prepared by the developer, the tree felling proposal cannot be confirmed at this stage. Although the 45 existing trees on the site are not important trees⁸, the developer will be required to take into consideration the need for tree preservation during the planning and design stages of the project. According to the TPB's approval for the revised MLP in February 2012, a Landscape Master Plan and tree preservation proposal should be prepared by the developer to the satisfaction of the Planning Department.

25. We estimate that the construction of the sports centre will create about 280 jobs (255 for labourers and another 25 for professional/technical staff) providing a total employment of 6 070 man-months.

Home Affairs Bureau
June 2012

⁸ "Important trees" refer to trees in the Register of Old and Valuable Trees, or any other trees that meet one or more of the following criteria –

- (a) trees of 100 years old or above;
- (b) trees of cultural, historical or memorable significance e.g. Fung Shui tree, tree as landmark of monastery or heritage monument, and trees in memory of an important person or event;
- (c) trees of precious or rare species;
- (d) trees of outstanding form (taking account of overall tree sizes, shape and any special features) e.g. trees with curtain like aerial roots, tree growing in unusual habitat; or
- (e) trees with trunk diameter equal or exceeding 1.0m (measured at 1.3m above ground level), or with height/ canopy spread equal or exceeding 25m.



平面圖 SITE PLAN	TITLE 項目名稱 277RS SPORTS CENTRE BETWEEN TSUEN WAN PARK AND TSUEN WAN ROAD, TSUEN WAN 荃灣公園與荃灣路之間的體育館	DRAWN BY 繪圖 WK CHAN	DATE 日期 04/2012	DRAWING NO. 繪號 AB/7555/XA101	SCALE 比例 1:2000
		APPROVED 覆核 BENNY CHAN	DATE 日期 04/2012	 ARCHITECTURAL SERVICES DEPARTMENT	
		OFFICE 辦事處 CENTRAL MANAGEMENT DIVISION 2			