

立法會
Legislative Council

LC Paper No. CB(1)650/14-15(04)

Ref: CB1/PL/DEV

Panel on Development

Meeting on 24 March 2015

**Background brief on the relocation of New Territories West
Regional Office and Water Resources Education Centre
of Water Supplies Department to Tin Shui Wai**

Purpose

This paper provides background information on the relocation of the New Territories West ("NTW") Regional Office and Water Resources Education Centre ("WREC") of the Water Supplies Department ("WSD") to Tin Shui Wai. It also summarizes the views and concerns expressed by Members on the subject at the meetings of the Legislative Council and its committees since the 2009-2010 legislative session.

Background

2. Currently located at Sai Yi Street in Mong Kok, the NTW Regional Office of WSD is a depot-type office involving daily mobilization of the operation and maintenance staff and vehicles of WSD and its contractors for carrying out water supply-related duties serving the NTW region, covering Tsuen Wan, Kwai Chung, Tsing Yi, Yuen Long, Tuen Mun and Tin Shui Wai. The Mong Kok office has been in use since 1950. According to the Administration, should there be no relocation plan, the office is in need of a full-scale renovation.

3. In response to the Chief Executive's announcement in the 2010-2011 Policy Agenda in respect of establishing an education centre to step up the promotion of water conservation, WSD has set up a temporary WREC in the Mong Kok office to promote water conservation. Due to space constraints, the temporary WREC only has a small area of about 270 square

metres ("m²"). It can only serve visitors in small groups by appointment. According to the Administration, to enhance public education on water conservation, WSD requires a new WREC with a larger floor area¹.

Initial proposal for the purchase and conversion of an industrial building for relocating the facilities of the Water Supplies Department in Mong Kok

4. In view of the need to relocate the NTW Regional Office and WREC in Mong Kok, the Administration proposed to purchase and convert an industrial building in the NTW region for accommodating these facilities. According to the Administration², another purpose of the proposal was to support the initiative announced by the Chief Executive in the 2009-2010 Policy Address for promoting revitalization of old industrial buildings through redevelopment and wholesale conversion of vacant or under-utilized industrial buildings.

5. The Panel on Development ("DEV Panel") was briefed on the proposal on 20 April 2011. According to the Administration, WSD would engage a consultant to assist in the identification and purchase of a suitable industrial building. The Administration considered that the proposal would bring in a number of benefits, which included vacating a prime site in Mong Kok for more gainful use, releasing the potential of under-utilized industrial buildings for higher value-added uses, demonstrating the application of green building design in retrofitting existing industrial buildings, and enhancing the operational efficiency of WSD by relocating the NTW Regional Office to its serving region.

6. The funding for the aforesaid proposal, at an estimated cost of \$790.5 million, was endorsed by the Public Works Subcommittee ("PWSC") on 18 May 2011 and approved by the Finance Committee ("FC") on 10 June 2011. The Administration planned to complete the purchase in the first quarter of 2012 and the conversion works by end-2015 the earliest³.

¹ Sources: (a) The Administration's paper on "Purchase and Conversion of Industrial Building for Water Supplies Department Facilities" (LC Paper No. CB(1)1909/10-11(03)); and (b) The Administration's paper on "Relocation of Existing Facilities of Water Supplies Department in Mong Kok" (LC Paper No. CB(1)1252/13-14(01))

² Source: The Administration's paper on "Purchase and Conversion of Industrial Building for Water Supplies Department Facilities" (LC Paper No. CB(1)1909/10-11(03))

³ Source: The Administration's paper on "Head 703 -- Buildings 114KA -- Purchase and conversion of industrial building for Water Supplies Department facilities" (LC Paper No. PWSC(2011-12)10)

Identification and purchase of a suitable industrial building

7. At the aforesaid meetings of DEV Panel and PWSC held in 2011, some members enquired about the availability of industrial buildings in the NTW region for relocating the WSD facilities. They were also concerned that the funds sought for procuring the industrial building might be insufficient to cover the purchase and conversion costs.

8. The Administration advised that preliminary market research indicated that there were industrial buildings in the NTW region suitable for the purpose. Though these industrial buildings were occupied at that time, the implementation timetable for the project had taken into account the time required for existing tenants to move out from the buildings before the conversion works could commence. As regards the sufficiency of funds, the Administration advised that the purchase price of an industrial building and the conversion cost were inter-related, i.e. a building with better quality might cost more for purchase and less in its conversion, and vice versa. In case the actual purchase price of the building turned out to be higher than the budgeted amount, funds would be deployed from within the project vote to meet the gap. The most suitable industrial building would be selected taking into account both the purchase price and the conversion cost.

9. In response to members' enquiry, the Administration further advised that in case the purchase of an industrial building for relocating the WSD facilities was unsuccessful, it would consider constructing a new building for accommodating these facilities. However, this option would take a longer time than converting a purchased industrial building.

Redevelopment of the existing site in Mong Kok

10. According to the Administration, upon relocation of the WSD facilities in Mong Kok, the site concerned can be released for implementation of the Area Improvement Plan for the Shopping Area of Mong Kok ("AIP"), a study undertaken by the Planning Department for improvement of the traffic and environment of Mong Kok and commercial development⁴.

11. Under the preliminary design concept of AIP, a district Public Transport Terminus ("PTT") facility with overhead commercial development and a substantial piece of open space will be provided at the

⁴ Source: The Administration's paper on "Purchase and Conversion of Industrial Building for Water Supplies Department Facilities" (LC Paper No. CB(1)1909/10-11(03))

site currently occupied by the WSD facilities, a depot of the Food and Environmental Hygiene Department ("FEHD") and a temporary car park. With the proposed PTT in place, some of the bus stops and passenger queuing facilities in the core Mong Kok area will be relocated to PTT to improve the overall traffic and pedestrian conditions.

12. Noting that the implementation of AIP would also require relocation of the existing FEHD depot and a temporary car park adjacent to the WSD facilities, some members enquired about the Administration's plan and timetable for relocating the FEHD depot. They also asked about the status of the concept plan for PTT in the statutory process.

13. The Administration advised that FEHD had been actively identifying a suitable site in West Kowloon for relocating its depot, with a view to vacating the site in Mong Kok in 2015 or 2016 to tie in with the implementation of AIP. As for the concept plan for PTT, it was a preliminary concept subject to planning and design. The Yau Tsim Mong District Council had been consulted on the concept plan and was supportive of the early implementation of the proposal.

Subsequent proposal for the construction of a new building for relocating the facilities of the Water Supplies Department in Mong Kok to Tin Shui Wai

14. Following FC's approval of the funding proposal to purchase and convert an industrial building for relocating the WSD facilities in June 2011, WSD engaged a consultant to assist in the procurement of an industrial building. According to the Administration, upon an extensive site search by the consultant, no suitable industrial building at a price within the approved budget could be identified⁵. The consultant therefore recommended the Administration not to further pursue the purchase of an industrial building. The Administration accepted the recommendation after assessing the situation with regard to the market condition. The situation was reported to DEV Panel on 22 January 2013.

15. Disappointed by the failure to identify a suitable industrial building to accommodate the WSD facilities in Mong Kok, some members enquired about the latest position of the relocation plan for those facilities. The Administration advised that it was considering the construction of a new building in Tin Shui Wai for accommodating the facilities and it would

⁵ Source: The Administration's paper on "2013 Policy Address -- Policy Initiatives of Development Bureau" (LC Paper No. CB(1)428/12-13(03))

strive to adhere to the original relocation schedule, i.e. to vacate the WSD site in Mong Kok in 2017-2018.

16. An information paper (LC Paper No. CB(1)1252/13-14(01)) on the proposal to relocate the existing WSD facilities in Mong Kok to Tin Shui Wai was circulated to DEV Panel members on 22 April 2014. According to the revised relocation plan, the NTW Regional Office and WREC of WSD will be relocated to a new building to be constructed at Tin Pak Road in Tin Shui Wai. The location of the proposed NTW Regional Office and WREC is shown in **Appendix I**. The Administration has also proposed that the existing WSD Yuen Long sub-office and the WSD store in Cheung Sha Wan be relocated to the new building. The customer enquiry centre of WSD in the Mong Kok office will be reprovisioned at a convenient location in Kowloon to continue its services for the customers in Kowloon.

17. The Administration considers that the relocation of the NTW Regional Office of WSD to its serving region (i.e. Tin Shui Wai) will enhance its operational efficiency. The site will also be able to house a new WREC with a larger net operating floor area of 1 160 m².

18. Subject to the funding approval of FC, the construction works of the new building in Tin Shui Wai will commence in mid-2015 for completion around end-2017, with subsequent demolition of the existing WSD facilities in Mong Kok to make way for the implementation of AIP. Meanwhile, the demolition works of the WSD facilities in Mong Kok are tentatively scheduled for commencement in the first quarter of 2018 and for completion in the first quarter of 2019⁶.

Latest development

19. The Administration will seek DEV Panel's support for upgrading PWP Item No. 117KA to Category A for the construction of the NTW Regional Office and WREC of WSD in Tin Shui Wai at the meeting to be held on 24 March 2015.

⁶ Source: The Administration's paper on "Forecast of submissions for the 2014-15 Legislative Council session" (LC Paper No. PWSCI(2014-15)7)

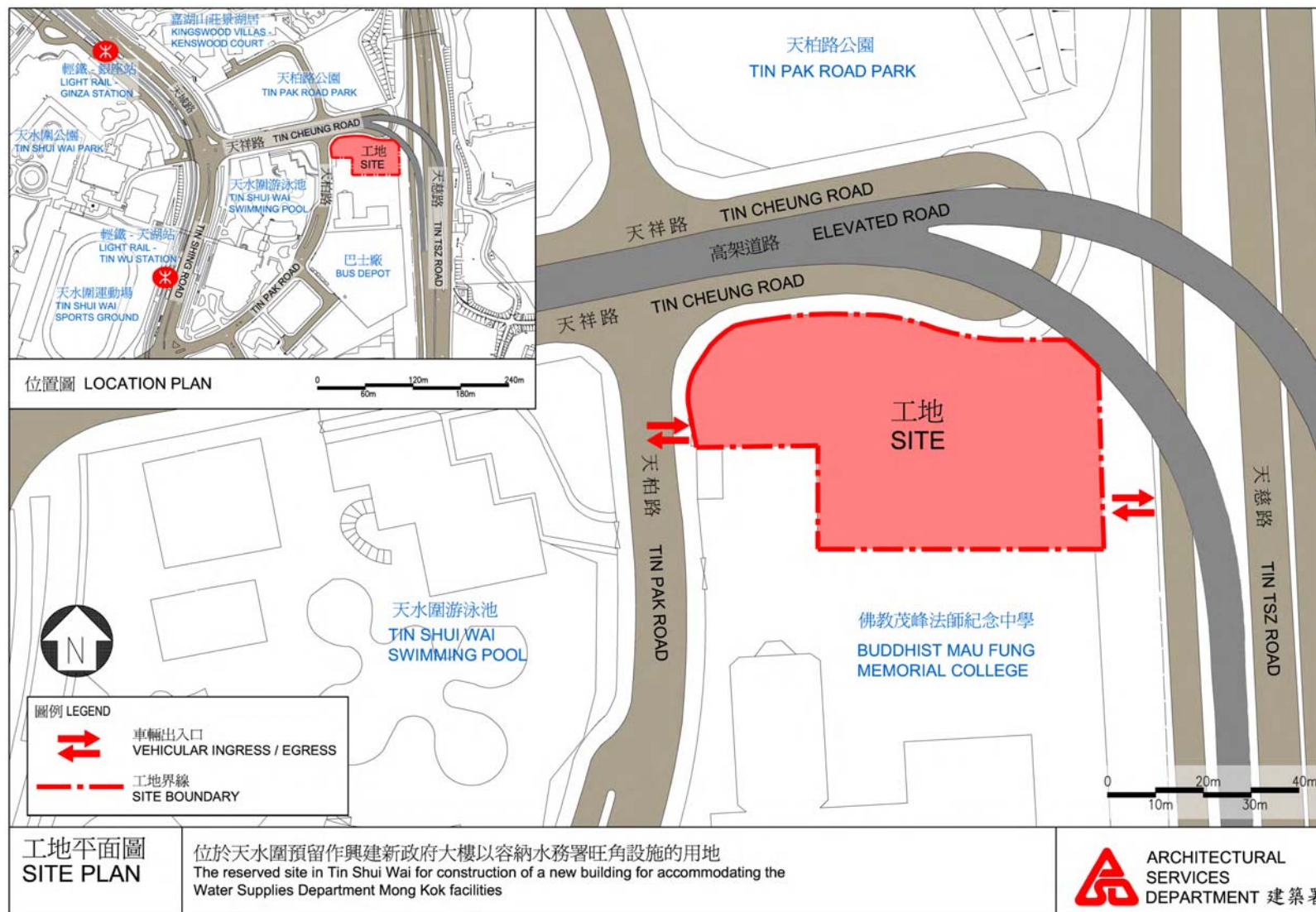
Relevant papers

20. A list of relevant papers with their hyperlinks is in **Appendix II**.

Council Business Division 1
Legislative Council Secretariat
17 March 2015

擬議水務署新界西辦事處及水資源教育中心位置圖

Location plan of the proposed New Territories West Regional Office and Water Resources Education Centre of Water Supplies Department



資料來源：政府當局就"搬遷旺角水務署現有設施"提交的文件(立法會CB(1)1252/13-14(01)號文件)

Source: The Administration's paper on "Relocation of Existing Facilities of Water Supplies Department in Mong Kok" (LC Paper No. CB(1)1252/13-14(01))

Appendix II

Relocation of New Territories West Regional Office and Water Resources Education Centre of Water Supplies Department to Tin Shui Wai

List of relevant papers

Council/Committee	Date of meeting	Paper
Council meeting	21 April 2010	Hansard -- written question (No. 6) on "Progress of Scheme to Extend Footbridge System in Mong Kok" (p. 7029 - 7032) http://www.legco.gov.hk/yr09-10/english/counmtg/hansard/cm0421-translate-e.pdf
Council meeting	19 January 2011	Hansard -- written question (No. 9) on "Measures to Improve Congested Road and Pedestrian Walkway Conditions in Mong Kok" (p. 5058 - 5061) http://www.legco.gov.hk/yr10-11/english/counmtg/hansard/cm0119-translate-e.pdf
Finance Committee special meeting	23 March 2011	Report on the examination of the Estimates of Expenditure 2011-2012 (Paragraphs 11.22 - 11.25 of Chapter XI) http://www.legco.gov.hk/yr10-11/english/fc/fc/minutes/sfc_rpt.pdf
Panel on Development	20 April 2011	Administration's paper on "Purchase and Conversion of Industrial Building for Water Supplies Department Facilities" [LC Paper No. CB(1)1909/10-11(03)] http://www.legco.gov.hk/yr10-11/english/panels/dev/papers/dev0420cb1-1909-3-e.pdf Minutes of meeting [LC Paper No. CB(1)2691/10-11] http://www.legco.gov.hk/yr10-11/english/panels/dev/minutes/dev20110420.pdf

Council/Committee	Date of meeting	Paper
Public Works Subcommittee	18 May 2011	<p>Administration's paper on "Head 703 -- Buildings 114KA -- Purchase and conversion of industrial building for Water Supplies Department facilities" [LC Paper No. PWSC(2011-12)10] http://www.legco.gov.hk/yr10-11/english/fc/pwsc/papers/p11-10e.pdf</p> <p>Minutes of meeting [LC Paper No. PWSC71/10-11] http://www.legco.gov.hk/yr10-11/english/fc/pwsc/minutes/pwsc20110518.pdf</p>
Finance Committee	10 June 2011	<p>Administration's paper on "Recommendations of the Public Works Subcommittee made on 18 May 2011" [LC Paper No. FCR(2011-12)20] http://www.legco.gov.hk/yr10-11/english/fc/fc/papers/f11-20e.pdf</p> <p>Minutes of meeting [LC Paper No. FC103/11-12] http://www.legco.gov.hk/yr10-11/english/fc/fc/minutes/fc20110610.pdf</p>
Council meeting	21 March 2012	<p>Hansard -- written question (No. 20) on "Area Improvement Plan for Shopping Areas of Mong Kok" (p. 7046 - 7052) http://www.legco.gov.hk/yr11-12/english/counmtg/hansard/cm0321-translate-e.pdf</p>
Panel on Development	22 January 2013	<p>Administration's paper on "2013 Policy Address -- Policy Initiatives of Development Bureau" [LC Paper No. CB(1)428/12-13(03)] http://www.legco.gov.hk/yr12-13/english/panels/dev/papers/dev0122cb1-428-3-e.pdf</p> <p>Minutes of meeting [LC Paper No. CB(1)735/12-13] http://www.legco.gov.hk/yr12-13/english/panels/dev/minutes/dev20130122.pdf</p>

Council/Committee	Date of meeting	Paper
Panel on Development	22 April 2014	Administration's paper on "Relocation of Existing Facilities of Water Supplies Department in Mong Kok" [LC Paper No. CB(1)1252/13-14(01)] http://www.legco.gov.hk/yr13-14/english/panels/dev/papers/devcb1-1252-1-e.pdf
Public Works Subcommittee	22 October 2014	Administration's paper on "Forecast of submissions for the 2014-15 Legislative Council session" [LC Paper No. PWSCI(2014-15)7] http://www.legco.gov.hk/yr14-15/english/fc/pwsc/papers/pi14-07e.pdf
Panel on Development	27 January 2015	Administration's paper on "Initiatives of Development Bureau in the 2015 Policy Address and Policy Agenda" [LC Paper No. CB(1)447/14-15(03)] http://www.legco.gov.hk/yr14-15/english/panels/dev/papers/dev20150127cb1-447-3-e.pdf