## 立法會 Legislative Council

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#### Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project

Updated background brief prepared by the Legislative Council Secretariat for the meeting on 19 May 2015

#### **Development of Xiqu Centre**

#### **Purpose**

This paper provides background information and summarizes the major views and concerns of members of the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project ("the Joint Subcommittee") on the development of Xiqu Centre in the West Kowloon Cultural District ("WKCD").

#### **Background**

- 2. The Xiqu Centre, located on a site of 13 800 square metres on the corner of Canton Road and Austin Road West at the eastern edge of WKCD, will be the first core arts and cultural facility ("CACF") to be opened in WKCD. According to the West Kowloon Cultural District Authority ("WKCDA"), Xiqu Centre's artistic positioning is to become the best venue for Xiqu in the region in a world-class facility with a core mission to preserve and develop the art of Xiqu, which includes Cantonese opera and other Xiqu genres. Following the completion of the Xiqu Centre Design Competition in December 2012, the winning team Bing Thom Architects and Ronald Lu & Partners Company Limited has been appointed as the design consultant for the Xiqu Centre project.
- 3. The seven-storey Xiqu Centre will provide more than 23 700 square metres of gross floor area. The project scope of Xiqu Centre consists of a 1 100-seat main theatre; a 200-seat tea house with a performance stage; rehearsal and training spaces; arts education facilities; retail, dining and entertainment ("RDE") facilities; public open spaces as well as associated facilities such as car parking. According to information provided by the

Administration and WKCDA in January 2015, Xiqu Centre (including Tea House) is targeted for completion in mid-2017.

#### **Deliberations of the Joint Subcommittee**

4. Issues relating to the development of Xiqu Centre were discussed at various meetings of the Joint Subcommittee between February 2013 and November 2014. Members' major views and concerns are highlighted in the ensuing paragraphs.

#### Project cost

- 5. Members noted with grave concern that the estimated cost for Xiqu Centre (Phase 1) and related facilities based on the chosen design stood at \$2.7 billion in money-of-the-day ("MOD") prices, which was more than double the cost estimate for the relevant parts of Xiqu Centre in 2006. They requested the Administration and WKCDA to provide detailed explanations for the substantial increase in the estimated project cost.
- 6. As explained by the Administration and WKCDA, the original project estimate for Xiqu Centre was \$1.3 billion (MOD prices) according to the recommendations of the Consultative Committee on CACFs of WKCD ("CC Case"), comprising both Phase 1 and Phase 2 of Xiqu Centre but without any design details for the project. The present estimate of \$2.7 billion (MOD prices) was based on the current scope of Xiqu Centre (Phase 1), which included additional accommodation in response to public views that was not covered in the original scope in 2006, such as arts education facilities and increased open space. In addition, RDE facilities and open space which had been included in the overall WKCD project in the CC Case but outside the scope of the original budget of \$1.3 billion for Xiqu Centre were also included in the current design and corresponding \$2.7 billion budget. In the view of the Administration and WKCDA, construction cost escalation was the major factor leading to the substantial increase in the project estimate, as evidenced by the upsurge of the Government's Building Works Tender Price Index from 751 in the third quarter of 2006 to 1467 in the third quarter of 2012 (increase by 95.3%).

#### Cost containment measures

7. Members considered it important that WKCDA should control the construction cost of Xiqu Centre while at the same time striving to maintain the overall quality and functions of the facilities therein. Members also urged the Administration to enhance its role in monitoring the expenditure of the WKCD project.

- 8. The Administration responded that it was fully aware of its monitoring role and would request WKCDA to make every effort to adhere to the target budget of \$2.7 billion for Xiqu Centre (Phase 1) and, where practicable, seek to further reduce the project cost. Members were advised that rigorous value engineering exercises were conducted with the aim of producing a cost-effective design and reducing the total project budget by up to \$100 million. The main areas of savings were attributable to design optimization in structure and façade, efficiency in floor space usage, reduction in the floor area of RDE facilities and optimization of the basement car parking arrangement. WKCDA assured members that it would continue to explore and implement other possible cost-saving measures for the project without compromising the overall functions and quality of the facility.
- 9. Some members questioned whether the reduction of the RDE spaces in Xiqu Centre sought mainly to alleviate the over-budget situation of the project. Concern was also expressed that the reduction of RDE area in Xiqu Centre would have the effect of reducing the rental proceeds thus generated, which was a major source of recurrent income for WKCDA to meet the operating costs of facilities in WKCD.
- 10. WKCDA clarified that according to a consultancy study, the RDE spaces on the upper floors of Xiqu Centre were generally of less value than those on the ground floor given the lower pedestrian volumes. The proposed reduction of the floor area of RDE facilities in Xiqu Centre sought only to remove the less efficient RDE spaces on the upper floors so as to enhance the overall efficiency of the provision of such spaces in Xiqu Centre.

#### Design and facilities of Xiqu Centre

11. In response to Hon Christopher CHUNG's view that the design of Xiqu Centre appeared to be lacking in traditional Xiqu elements, WKCDA advised that the current design of Xiqu Centre, including that of the facilities to be provided therein, was the outcome of extensive consultation with the Xiqu sector. Eminent representatives of the Xiqu community had been engaged as members of the Jury Panel for the Xiqu Centre Design Competition and the local Xiqu community had specifically requested that a more modern design should be adopted for Xiqu Centre so as to enhance the appeal of Xiqu to the The design architect appointed by WKCDA advised that younger generation. there might be different views as to what should be the appropriate physical While the building of Xiqu Centre would provide a expression of Xiqu. background for the expression of Xiqu, it would be for the Artistic Director and the users of Xiqu Centre to manifest the true spirit of Xiqu and to bring the building to life after its opening.

- 12. Dr Hon CHIANG Lai-wan enquired whether WKCDA would consider increasing the seating capacity of the Main Theatre of Xiqu Centre, which was currently set at 1 100. WKCDA was also called on to make available appropriate set-ups in the Main Theatre and other theatres of Xiqu Centre to achieve the best acoustic effects. According to WKCDA, the seating capacity of the Main Theatre was proposed with reference to that of other Cantonese opera performance venues in Hong Kong (e.g. the Sunbeam Theatre), and was considered ideal by the local Xiqu community. The Main Theatre was designed specifically for the staging of Xiqu performances, where performers would be able to perform without microphones and speakers. structures in the Theatre would allow the sound to come through and be scattered and dispersed naturally. Given that a 600-seat medium-sized theatre for Cantonese opera performances was provided at the Ko Shan Theatre New Wing ("KSTNW"), which opened in 2014, WKCDA planned to develop the small theatre of Xiqu Centre in its second phase of development.
- 13. Regarding members' enquiry about the arts education facilities and rehearsal and training spaces to be provided in Xiqu Centre, WKCDA advised that an entire floor of Xiqu Centre would be dedicated to the provision of arts education as well as rehearsal and training facilities, which included a 120-seat seminar room, four small practice rooms, two medium and two large rehearsal WKCDA would maintain communication and explore collaboration with different Xiqu groups, educational institutes and relevant government departments on the organization of Xiqu-related education and training activities in Xiqu Centre. As regards Dr Hon Helena WONG's suggestion that a multi-media library be set up to facilitate access to collections of Xiqu performances and Xiqu-related educational software by students and members of the public, WKCDA advised that while it had no plans to set up a new Xiqu archive, it had been in discussion with various Xiqu groups, educational institutes and museums in Hong Kong to explore the possibility of loaning their Xiqu-related information and records for display at exhibitions and educational activities to be held in Xiqu Centre.
- 14. In response to members' view that appropriate barrier-free facilities should be provided in Xiqu Centre to meet the needs of persons with a disability and the elderly, WKCDA advised that as it was expected that Xiqu Centre would appeal to elderly people in particular, the building had been designed with a focus on facilitating universal access and escalators, lifts, as well as staircases and ramps with handrails would be provided to satisfy all public access requirements.

#### Governance and management structure

- 15. On the future mode of governance of Xiqu Centre, members were advised in March 2014 that taking into account the artistic positioning of Xiqu Centre and views of the Xiqu sector, WKCDA decided to directly operate Xiqu Centre, instead of engaging a single troupe to take on a residency role at Xiqu Centre. WKCDA also advised members that while it was planned that an advisory committee would be set up to advise the WKCDA management on various matters relating to the programming, partnership, management and operation of Xiqu Centre, the Artistic Director to be appointed would take charge of the artistic direction of the venue and would be responsible to the management and Board of WKCDA. In addition to the Artistic Director, a General Manager would be appointed to take charge of the operational and technical side of venue management, overseeing the operations, administration and overall financial performance of the venue. Dr Hon Helena WONG suggested that apart from the Artistic Director and General Manager, WKCDA should also engage an expert in Xiqu education to take charge of matters relating to the promotion of Xiqu education, audience building and community participation.
- 16. Some members considered that apart from establishing the key artistic objectives for Xiqu Centre, WKCDA should also draw up quantifiable and objective indicators (such as target number and types of Xiqu performances to be staged, target number of audiences attending the performances and target revenue to be generated each year) to facilitate review of the operation and evaluation of the performance of Xiqu Centre in different aspects.
- 17. According to WKCDA, following the establishment of the artistic positioning as well and the governance and management structure of Xiqu Centre, it was formulating a suitable business plan for Xiqu Centre that would actively support its artistic visions. Issues such as hire charges for the facilities in Xiqu Centre, charges for performances and number of performances to be staged, etc. would be considered. The proposed business strategy would be submitted to the Board of WKCDA for consideration and endorsement within 2014. In respect of the timetable for the appointment of the Artistic Director and General Manager, WKCDA advised that pending the endorsement of the business plan for Xiqu Centre by the Board of WKCDA, it would tentatively kick-start the search for potential candidates for Artistic Director and General Manager within the 2014-2015 financial year.

#### Venues for Xiqu performances

18. Pointing out the acute shortage of performance venues in Hong Kong, some members enquired whether the Administration would consider making available the Yau Ma Tei Theatre ("YMTT") and KSTNW, which were Xiqu

venues, for the staging of performances in other art forms such as drama after the opening of Xiqu Centre in WKCD. Members also expressed concern about the co-ordination between the Leisure and Cultural Services Department and WKCDA in optimizing the usage of venues for Xiqu performances.

19. As advised by the Administration, the opening of Xiqu Centre would help address the keen demand for venues for the staging of Xiqu performances. Similar to Xiqu Centre, KSTNW was not positioned as a venue solely for Xiqu performances. While priority would be given to Xiqu performances and activities, KSTNW would also be open for hire for the staging of performances and events in other art forms. As regards YMTT, it currently had the Chinese Artists Association of Hong Kong as its venue partner and was used mainly for Xiqu performances by budding Xiqu artists/troupes and related education and training activities. Given the keen demand for Xiqu venues in the territory, Xiqu Centre and the other Xiqu venues were expected to complement each other in the provision of venue support for the conduct of Xiqu performances and related training and rehearsal activities.

#### Latest development

20. The Administration and WKCDA will update the Joint Subcommittee on the progress of the Xiqu Centre building project as well as the mode of governance of Xiqu Centre at its meeting on 19 May 2015.

#### **Relevant papers**

21. A list of the relevant papers on the Legislative Council website is in the **Appendix**.

Council Business Division 2
<a href="Legislative Council Secretariat"><u>Legislative Council Secretariat</u></a>
13 May 2015

### **Appendix**

# Relevant papers on Development of Xiqu Centre

Committee	Date of meeting	Paper
Joint Subcommittee to	25.2.2013	Agenda
Monitor the Implementation	Item III	<u>Minutes</u>
of the West Kowloon Cultural		
District Project	8.4.2013	<u>Agenda</u>
	Item II	<u>Minutes</u>
	3.7.2013	<u>Agenda</u>
	Item II	<u>Minutes</u>
	29.11.2013	<u>Agenda</u>
	Item III	<u>Minutes</u>
	28.3.2014	<u>Agenda</u>
	Item III	<u>Minutes</u>
	24.11.2014	<u>Agenda</u>
	Item II	<u>Minutes</u>

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