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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 24 November 2015**

**Hardware development  
in the West Kowloon Cultural District**

**PURPOSE**

This paper summarizes the major views and concerns raised by members of the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project ("the Joint Subcommittee") on issues relating to the hardware development in the West Kowloon Cultural District ("WKCD").

**BACKGROUND**

2. WKCD is planned to be developed by means of a Development Plan ("DP") prepared by the West Kowloon Cultural District Authority ("WKCDA") under section 21 of the West Kowloon Cultural District Authority Ordinance (Cap. 601). In March 2011, WKCDA selected the "City Park" conceptual plan designed by Foster + Partners ("F+P") as the preferred option for developing into a DP for WKCD. The WKCD DP was approved by the Chief Executive in Council in January 2013.

3. At its meeting on 3 July 2013, the Joint Subcommittee was advised that WKCDA would adopt a pragmatic approach to implement the WKCD project along the following principles –

- (a) rigorous cost containment of individual facilities to a level as close to the recommendations of the Consultative Committee on the Core Arts and Cultural Facilities of WKCD as possible;
- (b) emphasis on content rather than form of these facilities; and

- (c) early delivery of the Park as well as some arts and cultural facilities for public enjoyment.

4. Under the latest implementation approach adopted by WKCDA, the facilities in WKCD will be delivered in three batches, as indicated in **Appendix I**. The facilities to be delivered in Batch 1 and Batch 2 include the Park (with the Arts Pavilion), Freespace (including an Outdoor Stage and a Black Box), Xiqu Centre, M+ and Lyric Theatre Complex, which are planned for completion in stages between the second half of 2015 and end 2020. Furthermore, WKCDA has proposed to accelerate the development of the area around the Artist Square (comprising M+, Lyric Theatre Complex, retail/dining/entertainment ("RDE") facilities as well as office/residential developments) into a mini-WKCD, which is targeted for completion by around 2020, to facilitate "destination building" in the early phased development of WKCD and to expedite the provision of RDE facilities to generate income for WKCDA.

## **MEMBERS' CONCERNS**

5. Issues relating to the progress of hardware development in WKCD were discussed at various meetings of the Joint Subcommittee between February 2013 and July 2015. Members' major views and concerns are summarized in the ensuing paragraphs.

### **Development of the Batch 1 facilities**

#### Xiqu Centre

##### *Cost containment measures and completion schedule*

6. In view of the significant escalation in the estimated cost of Xiqu Centre, members generally considered that WKCDA should make its best endeavour to contain the construction costs of individual facilities of WKCD without compromising the overall quality and functions of the facilities. Members also urged the Administration to enhance its role in monitoring the expenditure of the WKCD project.

7. The Administration advised 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. WKCDA assured members that rigorous value engineering exercises had been conducted with a view to 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 the RDE facilities and optimization of the basement car parking arrangement.

8. 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 WKCD to meet the operating costs of facilities in WKCD.

9. WKCD 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.

10. When the Joint Subcommittee was last briefed on the progress of the Xiqu Centre project at its meeting on 19 May 2015, members were advised that the main superstructure works of Xiqu Centre had commenced in December 2014, with target completion in 2017. In response to Members' concern about the impact of the delay of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") project on the development programme of Xiqu Centre, WKCD advised that the delay of the XRL project would not have significant adverse impact on the progress of the construction works of Xiqu Centre and the target completion year of 2017 remained unchanged.

#### *Design and facilities of Xiqu Centre*

11. Some members expressed appreciation of the design of Xiqu Centre and the facilities included therein. Mr Christopher CHUNG, however, considered that the architectural design of Xiqu Centre appeared to be lacking in traditional Xiqu elements. WKCD advised that 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 younger generation. In the view of the design architect appointed by WKCD, while the building of Xiqu Centre would provide a 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. An enquiry was raised as to whether WKCD would consider increasing the seating capacity of the Main Theatre of Xiqu Centre, which was currently set at 1 100. WKCD 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. The curved structures in the theatre would allow the sound to come through and be scattered and dispersed naturally.

13. Members sought information on whether there would be resident companies in Xiqu Centre and whether rehearsal spaces for local troupes would be provided in the venue. A suggestion was also raised that a multi-media library should be set up in Xiqu Centre to facilitate access to collections of Xiqu performances and Xiqu-related educational software by students and members of the public.

14. WKCDA advised that in the light of the views of the Xiqu sector, it had decided to directly operate Xiqu Centre, instead of engaging a single troupe to take on a residency role at Xiqu Centre. Taking into account the needs of local troupes, WKCDA would provide rehearsal and production spaces in the venue to facilitate new productions and rehearsals by up-and-coming artistic talents. While there was no plan to set up a new Xiqu archive, WKCDA 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.

15. On 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. Various facilities such as escalators, lifts, staircases and ramps with handrails would be provided to satisfy all public access requirements.

## M+

### *Construction cost and development programme*

16. Members were informed in July 2013 that Herzog & de Meuron + TFP Farrells ("HdM") had been selected as the winning design team of the M+ Design Competition, the conceptual design of which came with the lowest estimated construction cost at \$5,413 million in money-of-the-day ("MOD") prices. Members were also advised that WKCDA had already started rigorous

negotiations with HdM to further contain the cost to be incurred by WKCDA to within a target budget of \$5 billion (MOD prices) inclusive of fees. WKCDA assured members that it would attach importance to cost control and endeavour to ensure value for money in implementing the M+ project. According to the information provided by WKCDA in July 2015, the detailed design of M+ was completed and the construction works were targeted for completion in the second half of 2018.

*Design and facilities of M+*

17. Some members expressed appreciation of the architectural design of M+ and opined that it would make M+ an iconic landmark in Hong Kong. Some other members, however, were of the view that the architectural design of M+ was too simple and lacked character. WKCDA was requested to further explain the concept and characteristics of, as well as the meaning to be conveyed by, the architectural design of M+.

18. According to WKCDA, the current architectural design of M+ was selected unanimously by the Jury Panel of the M+ Design Competition as the best design reflecting the core values of M+. The Jury Panel considered that it had the merits of a memorable design that drew its raw power from simplicity and clarity of its "parti", and was the most cost effective amongst all the submitted designs for the Competition. Unlike most other conventional museums where the conservation and storage facilities were hidden from the public, M+ would be a museum where visitors could see part of the conservation process through the facilities.

19. WKCDA further explained that due to the simplicity and transparency of the design, the M+ Building would be a building that on the one hand could take its location and work well with the backdrop of the International Commerce Centre ("ICC") Complex, and on the other hand comprised a slim, semi-transparent vertical plane rising atop a horizontal slab which fused into the shape of an upside down T to create an iconic presence for M+ and Hong Kong. The simple design and generous access of the building also conveyed the message that M+ was a place where the public could interact with the art, design and other aspects of visual culture in a friendly and welcoming ambience.

20. Dr CHIANG Lai-wan suggested that to tie in with the Government's policy in promoting energy saving and emission reduction in buildings, WKCDA should liaise with the Environment Bureau on the relevant requirements for new buildings and incorporate appropriate green features into the design of the M+ building accordingly. Dr Helena WONG cautioned that as there had been complaints about the visual and environmental nuisance caused by the glittery façade of ICC, WKCDA should avoid using reflective

materials (e.g. glass and steel) for the façade of the M+ building so as to minimize possible adverse impacts on nearby residents and road users.

21. WKCDA stressed that sustainability was one of the key principles upon which the WKCD project was premised. WKCDA had been in discussion with relevant government bureaux and departments on ways to maximize the environmental benefits of individual buildings/facilities in WKCD. The M+ building aimed to achieve a Gold rating under the Building Environmental Assessment Method Plus assessment scheme and the electrical and mechanical installations in the building would adhere to the relevant rating standards. As opposed to the façade of ICC which was made of sheer glass, the glass windows of the M+ building would be installed behind units of precast concrete elements.

22. Members sought information on whether WKCDA had any plans to make use of the external walls of M+ as a display screen for promotion or other purposes. WKCDA advised that given that M+ was a museum of visual culture, consideration would be given during the design process to whether and how the museum building itself could be used as a screen for display of images of artistic works or dissemination of other information as appropriate, having regard to the fundamental purpose of the building as a museum, practice of other buildings in the vicinity and other relevant factors.

23. Hon Cyd HO considered that as compared with the architectural design of the exterior of the building, the interior design of the museum was even more important as it should allow flexibility for the staging of different types of exhibitions and enable audience to have an interactive experience in viewing the exhibitions. She called on WKCDA to brief the Joint Subcommittee on the interior design of M+ as soon as practicable.

24. In response to members' enquiry on the amount of exhibition space in M+, WKCDA advised that the area designated for display galleries was between one-fourth to one-third of the total gross floor area of M+, which would be roughly 15 000 square metres. Apart from display galleries, artworks and design and architecture installations would also be displayed in the general public spaces of M+.

## The Park

### *Alternative development approach*

25. Members noted in July 2013 WKCDA's plan to turn the fully landscaped Park envisaged in F+P's "City Park" conceptual plan into quality open space with a simple and functional design, to facilitate early delivery of the Park and related facilities in a cost effective manner. The Administration

and WKCDA assured members that under the proposed alternative development approach, the facilities to be accommodated in the Park would remain largely the same as those proposed in the original scope of the Park development on the basis of F+P's conceptual plan, except that simpler designs for the Park and the facilities therein would be adopted. WKCDA would expedite the development of the Park under the revised approach based on a reduced budget of \$1.0 billion (MOD prices)<sup>Note 1</sup> including fees, etc.

26. When the Joint Subcommittee was last briefed on the progress of the Park development at its meeting on 23 March 2015, members were informed that construction of the Park and the Black Box would commence in the third quarter of 2015. According to WKCDA, in order to maintain partial opening of the Park area for public enjoyment throughout the construction period, a temporary park located at the northwestern end of the WKCD site would be completed in the second half of 2015, followed by the major portion of the Park with the Black Box and Outdoor Stage in 2017. Members were subsequently further advised that the Temporary Tree Nursery Park was planned to be opened to the public in mid-July 2015.

#### *Design and facilities of the Park*

27. Noting WKCDA's plan to adopt a high proportion of soft landscape coverage in developing the Park, some members enquired whether the area of the sites currently occupied by the Western Harbour Crossing ("WHC") ventilation building and the MTR ventilation building had been reduced to a minimum, and how WKCDA would ensure that the two buildings would be properly integrated with the surrounding green environment. WKCDA's design consultant advised that given the prominent appearance of the WHC ventilation building and the MTR ventilation building, the Park design team would put more trees and plants around them to make them less noticeable in the Park and better integrate with the surrounding landscape setting. WKCDA and the design team were in discussion with the owners of the two buildings on ways to minimize the impact of the buildings and their associated facilities/structures on the overall appearance of the Park.

28. Members considered that in preparing the detailed design of the Park, WKCDA should seek to enhance pedestrian accessibility to and within the Park taking account of, among others, the construction works being/to be conducted in the Park throughout the development process of WKCD. WKCDA was also urged to make available sufficient emergency accesses in different parts of the Park. WKCDA assured members that accessibility had all along been one of the key planning and design principles underpinning the WKCD project. The current concept design for the Park would enable provision of appropriate

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<sup>Note 1</sup> According to the Administration and WKCDA, in November 2012, the ballpark project cost for developing the Park (Phase 1) was \$1,865 million (MOD) including fees, etc..

forms of transport for, among others, people who were mobility-challenged to get to every part of the Park, and due regard would be given to the need to enhance the accessibility of the Park for all in the detailed design stage.

29. Some members were concerned that certain species of trees might not be suitable for planting in the Park on the reclaimed WKCD site, and that the future landscape maintenance costs might be considerably high given the windy and exposed location of the Park. They called on WKCDA to consider the appropriate species of trees to be planted having regard to the climate of Hong Kong and the location of WKCD. WKCDA advised that some 1 000 trees had been planted in the tree nursery in WKCD which sought to test, among others, the resistance of different species of trees to the exposure to wind, rain, salt water and typhoons. According to its consultant, most of the trees in the tree nursery would be able to be used and planted on the WKCD site as the Park developed.

30. Noting that the Black Box would only be completed in 2017, Miss CHAN Yuen-han urged WKCDA to consider providing, in the interim, some temporary black boxes in the vicinity of the future Black Box to address the venue needs of local arts groups. She also sought information on the estimated construction cost of the Black Box. WKCDA advised that the costs of the Black Box were estimated to be around \$300 million. Given site and budget constraints, WKCDA had no plan to provide additional temporary facilities in the Park apart from the temporary park.

31. Some members pointed out that as there had been calls for the Government to revise the male-to-female toilet compartment ratio so as to increase the provision of female toilets in public places and the preparation of the relevant legislative amendments was underway, WKCDA should ensure that the provision of toilet facilities in the Park would be in line with the future enhanced standards for the provision of female toilet facilities in public places. These members also expressed concern about the access to toilet facilities for persons with disabilities, carers and transgender persons, and called on WKCDA to make available unisex toilets in WKCD. WKCDA assured members that it had specifically requested its design consultant to ensure adequate provision of toilet facilities in the Park. WKCDA had all along attached importance to ensuring universal access in formulating the design of the Park and other facilities in WKCD, and disabled toilets would be provided for use by persons with different needs.

32. Members had been following up on the provision of cycling facilities in WKCD. WKCDA was urged to make available cycle paths and bicycles (for adults and children respectively) in WKCD for visitors' use. According to WKCDA, a cycle path and an automated bicycle rental service had been put in place in the developed section of the West Kowloon Waterfront Promenade



("the Promenade") for public enjoyment and both bicycles and tricycles were currently being provided. WKCDA would continue to evaluate and improve the bicycle rental service leading up to the opening of the Park.

### Arts Pavilion

33. Members were advised in January 2014 that VPANG architects Ltd + JET Architecture Inc + Lisa Cheung, the winning design team of the Arts Pavilion Design Competition, had been appointed by WKCDA to design and administer the construction of the Arts Pavilion, the budget for which was \$20 million (MOD prices). Members also noted that the Arts Pavilion, which aimed to provide a venue for the staging of independent small-scale exhibitions and events in WKCD, would serve as M+'s primary site for its exhibitions before the completion of the M+ building. According to the information provided by WKCDA in July 2015, the construction works for the Arts Pavilion had commenced in April 2015 with target completion in 2016.

34. Members in general expressed appreciation of the architectural design of the Arts Pavilion. Enquiries were raised as to whether the external walls of the Arts Pavilion would be used as a display screen for images of artistic works and whether barrier free access would be provided at the Arts Pavilion which would seemingly be built on a small slope. WKCDA advised that the external walls of the Arts Pavilion would be made of mirror finish stainless steel, reflecting the surrounding expanses of greenery and immersing the building within its Park setting. A ramp and a lift would be installed at the Arts Pavilion to ensure its accessibility for persons with a disability.

## **Development of the Batch 2 and Batch 3 facilities**

### Planning and development of the Batch 2 facilities

35. Members noted with concern that the construction of some of the Batch 2 facilities (such as Lyric Theatre, Centre for Contemporary Performance ("CCP") and Medium Theatre II ("MT II")) and some portions of the integrated basement would be affected by the delay of the XRL project, given that part of the site area where these facilities would be constructed was currently occupied by the MTR Corporation Limited ("MTRCL") for the construction of the West Kowloon Terminus ("WKT") of XRL and the delay of the XRL project might defer the release of these work sites to WKCDA. Members generally urged the Administration and WKCDA to follow up expeditiously with MTRCL to ensure early release of the relevant work sites for the implementation of the WKCD project.

36. The Administration advised that it would request MTRCL to release the XRL work sites as soon as practicable to facilitate commencement of the

relevant works for the WKCD project. As there was no contractual agreement between MTRCL and WKCDA on the handover dates of the work sites for the XRL project within WKCD, it was, however, doubtful whether WKCDA had any right to claim for loss from MTRCL in respect of its late release of the work sites.

37. At its meeting on 23 March 2015, the Joint Subcommittee was briefed on WKCDA's proposal to combine the development of MT II and one of the black box theatres of CCP with the Lyric Theatre to form the Lyric Theatre Complex ("LTC"). Members were advised that the proposed LTC would comprise a dance-focused Lyric Theatre (with its seat capacity to be increased from 1 200 to 1 450), a 600-seat Medium Theatre (previously MT II) and a Studio Theatre with 200+ seats (previously a 250-seat Black Box Theatre in CCP). According to WKCDA, the proposal could help meet the pressing demand for performing arts ("PA") venues and advance the delivery of MTII and one of the black box theatres of CCP, which were originally planned to be built in the eastern part of the WKCD site above WKT, from after 2022 to around 2020.

38. Enquiries had been raised as to whether the proposed reconfiguration of PA venues was attributable to the delay in releasing the relevant works areas on the WKCD site by MTRCL for the construction of CCP and MT II, and whether the PA community had been consulted on the proposed LTC. WKCDA advised that the proposed reconfiguration of PA venues sought to deliver as many arts and cultural facilities as possible for public enjoyment by 2020 within the available budget and planning constraints. Extensive consultation had been conducted with the relevant major PA groups on the proposed three-theatre model for LTC and no objection had been raised by the groups. WKCDA would continue to solicit the views of stakeholders on the design of LTC.

39. Noting the proposed integration of some of the facilities in CCP and MT II with the Lyric Theatre, some members sought clarification whether the three black box theatres originally planned to be built in CCP would be scaled down and whether there was any plan for the land parcel originally planned for CCP. An enquiry was also raised as to whether WKCDA would explore the feasibility of constructing some of the Batch 3 facilities (e.g. Music Centre, Great Theatre and Musical Theatre) on the original CCP site.

40. WKCDA clarified that there would be no reduction in the total seating capacity of the theatres in CCP and MT II. The previously 600-seat MT II and 250-seat Black Box Theatre in CCP would be moved to the proposed LTC, while the land parcel originally planned for MT II would be used for providing the other two black box theatres (with 400 and 150 seats respectively) originally planned to be built on the CCP site. As the land parcel originally planned for

CCP was above WKT and having regard to the high acoustic requirements for the venues for musical performance, it was not appropriate to build such venues on the original CCP site. Consideration was being given to the future use of the CCP site for other arts and cultural facilities and other uses.

41. Concern had been expressed about the additional costs to be incurred for the construction of the proposed LTC and WKCDA was requested to provide a comparison between the construction cost for the original Lyric Theatre and that for the proposed LTC. WKCDA explained that as back-of-house facilities could be shared among theatres housed in the same complex, the proposal to combine two other PA venues with the Lyric Theatre could achieve design efficiency and cost savings in the construction of the three venues, as well as achieve synergy in their future operation. However, information on the estimated cost for constructing the proposed LTC and the estimated amount of cost saving would only be available after the completion of the detailed design of LTC.

#### Implementation of the Batch 3 facilities

42. When the Joint Subcommittee was briefed on the financial situation of the WKCD project at its meeting on 28 May 2014, members were advised that the portion of the endowment fund for the design and construction of the WKCD facilities would be sufficient only to cover the costs of the design and construction of the Batch 1 and Batch 2 facilities, while the implementation programme of the Batch 3 facilities would be reviewed at a suitable juncture.

43. Some members expressed concern about the absence of a concrete timetable for the delivery of the Batch 3 facilities, comprising venues such as Music Centre, Great Theatre and Musical Theatre which were crucial components of the WKCD that had been envisioned. These Members were worried whether with the spiralling cost of the WKCD project, the Government was planning to shelve the development of the Batch 3 facilities or cut down on the resources to be allocated for the WKCD development. Miss CHAN Yuen-han, however, opined that given the substantial funding gap for the WKCD project and the uncertainty about the timing for the release of the XRL work sites in WKCD, the Administration and WKCDA should consider shelving the development of the Batch 3 facilities and turning the sites concerned into a park.

44. The Administration stressed that the Administration and WKCDA had all along been committed to developing a holistic WKCD and had not given up the implementation of the Batch 3 facilities. The results of the three-stage public engagement exercise indicated that the public and stakeholders supported an organic growth approach for the WKCD development, under which facilities would be implemented in phases having regard to actual situations. Given the

various challenges being faced by the WKCD project, the Administration considered it a pragmatic arrangement for WKCDA to complete the Batch 1 and Batch 2 facilities for early public enjoyment and critically review the implementation programme of the Batch 3 facilities at a suitable juncture, taking account of the financial situation of WKCDA and site availability as well as the public's feedback on the first two batches of facilities and the overall position of the arts and cultural development in Hong Kong. While there was no definite timetable for the delivery of the Batch 3 facilities, the WKCDA Board had instructed the management of WKCDA to work with the Administration to review the financial arrangements and identify alternative funding options to enable the implementation of the Batch 3 facilities.

45. Noting that there was currently no concrete implementation programme for the Batch 3 facilities, members enquired whether the land parcels originally planned for these facilities would be put to various temporary uses to fully utilize the sites. According to WKCDA, the land parcels planned for those facilities with construction programmes deferred or to be confirmed would be used for various temporary purposes in the interim to enhance the vibrancy of WKCD. For instance, pending the implementation of the integrated basement and the topside developments (e.g. the Batch 3 facilities) in Zone 2C, WKCDA would consider turning the area into an open space connecting with the Promenade for holding various events and activities for public enjoyment.

### **Implementation of the integrated basement**

#### Cost estimate

46. When the Joint Subcommittee was briefed on the Administration's proposal for the implementation of the integrated basement at its meeting on 28 May 2014, members generally expressed grave concern that the cost estimate of the integrated basement had increased from more than \$10 billion as advised by the Administration in July 2013 to around \$23 billion. The Administration was requested to explain the basis upon which the \$23 billion cost estimate was drawn up, and whether it could undertake that the final cost of the whole integrated basement would be in the region of \$23 billion as estimated.

47. According to the Administration, the rough cost estimate of around \$23 billion in MOD prices for the main integrated basement was derived in mid-2013 on the assumption that the construction of the whole integrated basement would start in 2014 for completion in one go by 2020. It included about \$19 billion being the cost of the foundations and substructure of the basement, and about \$4 billion being the cost of the public infrastructure works in the basement which served to support the whole WKCD. Given that the implementation programme of certain portions of the integrated basement had yet to be confirmed, the Administration was not in a position to give an

undertaking that the final cost of the whole integrated basement would not exceed \$23 billion.

48. Some members enquired whether the Administration had examined the viability of not implementing/implementing partially the integrated basement and considered putting all or some of the vehicular traffic at ground level with provision of appropriate environmental facilities, so as to reduce the costs of the WKCD project while achieving the original aim of providing a green environment in WKCD. Some other members, however, expressed the view that as the integrated basement was an integral part of the design of WKCD which was drawn up after years of consultations, they were opposed to scraping the basement which would result in further delay of the WKCD project.

49. The Administration advised that the integrated basement was a key facility in F+P's "City Park" conceptual plan for WKCD which served to free up space for arts and cultural use and create a pedestrian-friendly environment at ground level. The basement concept had received public support during the public engagement exercise conducted by WKCD for the WKCD DP from 2009-2011. Given that the integrated basement was an essential feature to meet the statutory minimum requirement for 23 hectares of public open space in WKCD and an integral part of DP which had undergone the statutory planning process, the Administration considered it not appropriate to scrap the basement design.

50. Some members considered that given the high cost estimate of the integrated basement, the Administration and WKCD should consider expanding the functions of the basement to enhance the cost-effectiveness of the project. Dr Helena WONG suggested that the Administration and WKCD should explore the feasibility of adding an extra one or two levels to the integrated basement for the development of an underground city with RDE facilities, so as to generate income to offset part of the cost of the basement. Mr IP Kwok-him, however, disagreed with the idea of providing additional RDE facilities in the integrated basement for the reason that it would entail major change to the design of WKCD and further delay the implementation of the WKCD project.

51. The Administration and WKCD explained that the integrated basement was premised on the concept of segregation of people and traffic in WKCD, rather than putting both underground. Adding extra level(s) to the integrated basement for the development of an underground city with RDE facilities would substantially deviate from the planning intention of developing WKCD into a rich mixed-use district, where RDE uses should account for about 15 to 20% of the total gross floor area ("GFA") in WKCD as stipulated in the approved DP. Moreover, substantial increase in retail and dining facilities at the underground WKCD would involve major amendments to the approved DP

if it incurred significant increase in the total GFA in WKCD. This would entail lengthy statutory and public engagement process, thereby seriously undermining the current development timeframe for the WKCD project. Adding extra underground floors of RDE facilities would also further increase the project cost of the integrated basement.

52. Concern had been raised about the cost-sharing arrangement between the Government and private developers for the development of the portions of the integrated basement for the hotel, office and residential ("HOR") sites in WKCD. The Administration advised that given the integrated design as envisaged in F+P's conceptual plan, the HOR sites in WKCD also consisted of RDE facilities and other WKCDA facilities. Under the current planning, the prospective developers of the HOR sites in WKCD, if required, would develop the portions of the integrated basement concerned, and they would be reimbursed by the Government the costs of the underground road, associated public infrastructure, and enabling works for the WKCDA facilities involved. Members were assured that while the Government would fully fund the capital costs of the main integrated basement as general enabling works to facilitate the development of the whole WKCD, the cost of developing the portions of the basement for the HOR sites incurred by the Government would be duly reflected in the land premium for such sites.

53. The Joint Subcommittee was consulted at its meeting on 19 May 2015 on the Administration's financial proposal for the first and second stages of design, site investigation and construction works of the integrated basement at an estimated cost of \$2.9 billion in MOD prices. Members were advised that with the approval given by the Finance Committee ("FC") for the financial proposal, the Administration would transfer the costs for the first stage of design and advance works for the integrated basement to WKCDA in recognition of the works it had undertaken for the Administration, and commence the second stage of works in the third quarter of 2015 for completion in phases by 2019. Members did not raise objection to the Administration's submission of the financial proposal to the Public Works Subcommittee ("PWSC") for consideration.

#### Implementation approach and management issues

54. Noting the Administration's plan to implement the integrated basement in phases, some members expressed concern whether the proposed phased implementation approach would result in delivery of the basement and WKCD facilities in a fragmented manner and lack of connections among different zones of the integrated basement. The Administration advised that the phased implementation approach was commonly adopted in major public works projects. The Civil Engineering and Development Department would conduct a technical study to examine the feasibility and cost implications of the

proposed phased implementation arrangement for the integrated basement. Issues to be studied would include the exact boundaries between zones and the connectivity and integration of different zones of the basement.

55. Pointing out that the different zones of the integrated basement were intended to be interconnected according to F+P's design, Mr Alan LEONG enquired about the consequences if the other zones of the integrated basement and/or the relevant topside venues would not be implemented after the first stage of the integrated basement in Zones 3A and 3B (above which the M+ and LTC would be built) had been constructed. WKCDA advised that under the worst case scenario, even if the other zones of the integrated basement and the relevant topside venues were eventually not implemented, those portions of the integrated basement which had already been constructed (i.e. Zones 3A and 3B) could be put to use in a stand-alone manner and would not be wasted.

56. In response to members' concern about the air quality and temperature as well as the future management of the integrated basement, the Administration and WKCDA stressed that due regard would be given to the underground air quality and temperature in formulating the detailed design of the integrated basement. The Administration also advised that while it was preliminarily planned to entrust the management of the entire integrated basement to WKCDA to enhance the overall management efficiency, the issue of whether separate funding would be provided to WKCDA to subsidize the management costs would require further study.

## **RECENT DEVELOPMENTS**

57. The Administration's financial proposal for the first and second stages of design, site investigation and construction works of the integrated basement was endorsed by PWSC on 16 June 2015 and approved by FC on 10 July 2015.

58. The Administration and WKCDA will update the Joint Subcommittee on the progress of the hardware development in WKCD at its meeting on 24 November 2015.

## **RELEVANT PAPERS**

59. A list of the relevant papers with their hyperlinks on the Legislative Council Website is in **Appendix II**.

**Phasing of major WKCD facilities under the pragmatic implementation approach in June 2013**  
**(as modified in 2015)**

<b>Batch 1 facilities</b> (Target completion by 2018)	<b>Batch 2 facilities</b> (Target completion by around 2020)	<b>Batch 3 facilities</b> (Target completion beyond 2020)	<b>Not phased</b>
Xiqu Centre (including Tea House)	Lyric Theatre Complex (including one Medium Theatre and a Studio Theatre) <sup>@</sup>	Musical Theatre <sup>*</sup>	Mega Performance Venue/ Exhibition Centre Complex <sup>*</sup>
Freespace (including Outdoor Stage and Black Box)	Centre for Contemporary Performance <sup>#</sup> (including two Black Boxes)	Great Theatre	M+ Phase II
M+		Music Centre (including Concert Hall and Recital Hall)	Xiqu Small Theatre
Park and Temporary Tree Nursery Park		Medium Theatre I	
Arts Pavilion			

\* Subject to alternative funding options

<sup>@</sup>The revised approach to advance the Medium Theatre II and one black box theatre from the Centre for Contemporary Performance to become the Lyric Theatre Complex was reported to the Joint Subcommittee on 23 March 2015 (via LC Paper No. CB(2)1066/14-15(04))

<sup>#</sup> Target completion date to be reviewed

Source: Annex B to the paper entitled "Update on the financial situation of and arrangements for the West Kowloon Cultural District project" provided by the West Kowloon Cultural District Authority for the Joint Subcommittee meeting on 7 July 2015 [LC Paper No. CB(2)1823/14-15(01)].



**Relevant papers on  
Hardware development in the West Kowloon Cultural District**

Committee	Date of meeting	Paper
Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project	25.2.2013 Item III	<a href="#">Agenda</a> <a href="#">Minutes</a>
	8.4.2013 Item II	<a href="#">Agenda</a> <a href="#">Minutes</a>
	23.4.2013 Item II	<a href="#">Agenda</a> <a href="#">Minutes</a>
	3.7.2013 Item II	<a href="#">Agenda</a> <a href="#">Minutes</a>
	29.11.2013 Item III	<a href="#">Agenda</a> <a href="#">Minutes</a>
	24.1.2014 Item III	<a href="#">Agenda</a> <a href="#">Minutes</a>
	28.3.2014 Item III	<a href="#">Agenda</a> <a href="#">Minutes</a>
	28.5.2014 Items I & II	<a href="#">Agenda</a> <a href="#">Minutes</a>
	23.7.2014 Items I & II	<a href="#">Agenda</a> <a href="#">Minutes</a>
	12.1.2015 Item III	<a href="#">Agenda</a> <a href="#">Minutes</a>
	23.3.2015 Items I & II	<a href="#">Agenda</a> <a href="#">Minutes</a>
	19.5.2015 Items I, II & III	<a href="#">Agenda</a> <a href="#">Minutes</a>
	7.7.2015 Item I	<a href="#">Agenda</a> <a href="#">Minutes</a>