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**Public Works Subcommittee of the Finance Committee
of the Legislative Council**

**Minutes of the 14th meeting
held in Conference Room 1 of the Legislative Council Complex
on Monday, 19 March 2018, at 4:45 pm**

Members present:

Ir Dr Hon LO Wai-kwok, SBS, MH, JP (Chairman)

Hon Charles Peter MOK, JP (Deputy Chairman)

Hon Abraham SHEK Lai-him, GBS, JP

Hon Tommy CHEUNG Yu-yan, GBS, JP

Hon Starry LEE Wai-king, SBS, JP

Hon CHAN Hak-kan, BBS, JP

Hon Paul TSE Wai-chun, JP

Hon Claudia MO

Hon Frankie YICK Chi-ming, SBS, JP

Hon WU Chi-wai, MH

Hon YIU Si-wing, BBS

Hon CHAN Chi-chuen

Hon CHAN Han-pan, JP

Hon LEUNG Che-cheung, SBS, MH, JP

Hon Alice MAK Mei-kuen, BBS, JP

Dr Hon KWOK Ka-ki

Hon Christopher CHEUNG Wah-fung, SBS, JP

Dr Hon Fernando CHEUNG Chiu-hung

Dr Hon Helena WONG Pik-wan

Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Dr Hon Junius HO Kwan-yiu, JP
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon Wilson OR Chong-shing, MH
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho

Members absent:

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Michael TIEN Puk-sun, BBS, JP
Hon MA Fung-kwok, SBS, JP
Hon HO Kai-ming
Hon LUK Chung-hung

Public officers attending:

Mr Raistlin LAU Chun, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ³
Mr HON Chi-keung, JP	Permanent Secretary for Development (Works)
Ms Bernadette LINN, JP	Permanent Secretary for Development (Planning and Lands)
Mr Elvis AU Wai-kwong, JP	Deputy Director of Environmental Protection (1)

Ms Margaret HSIA Mai-chi	Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (Works)
Mr Andrew LAI Chi-wah, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)2
Mrs Sylvia LAM YU Ka-wai, JP	Director of Architectural Services
Mr Frank WONG Tak-choi	Project Director (1) Architectural Services Department
Ms Athena FUNG Chi-shan	Senior Project Manager 122 Architectural Services Department
Mr WONG Kuen-fai, JP	Commissioner of Inland Revenue
Mr Francis LEUNG Lap-ki	Principal Assistant Secretary for Development (Works)4
Ms Winnie HO Wing-yin, JP	Deputy Director of Architectural Services
Mr Andrew FUNG Chi-fung	Senior Project Manager 123 Architectural Services Department
Ms Cynthia LO Siu-han	Departmental Secretary Electrical and Mechanical Services Department
Mr Louis KAU Kin-hong	District Planning Officer (Hong Kong) Planning Department

Clerk in attendance:

Ms Doris LO	Chief Council Secretary (1)2
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Staff in attendance:

Mr Raymond CHOW	Senior Council Secretary (1)6
Ms Mandy LI	Council Secretary (1)2
Ms Christina SHIU	Legislative Assistant (1)2
Ms Christy YAU	Legislative Assistant (1)7

Action

The Chairman advised that there were five funding proposals on the agenda for the meeting, all of which were items carried over from the previous meeting. He reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of the Legislative Council ("LegCo"), they should disclose the nature of any direct or indirect pecuniary interests relating to the funding proposals under discussion at the meeting before they spoke on the proposals. He also drew members' attention to Rule 84 of RoP on voting in case of direct pecuniary interest.

Head 703 – Buildings

PWSC(2017-18)29 122KA Inland Revenue Tower in Kai Tak Development

2. The Chairman advised that the proposal, i.e. PWSC(2017-18)29, sought to upgrade 122KA to Category A at an estimated cost of \$3,600 million in money-of-the-day ("MOD") prices for the construction of Inland Revenue Tower ("the new IR Tower") in the Kai Tak Development ("KTD"). The Subcommittee had commenced deliberation on the proposal at the meeting on 12 February 2018.

Relocation plan of government departments in the Wan Chai Government Offices Compound

3. Ms Starry LEE enquired the reason why the relocation plan of the government departments in the Wan Chai Government Offices Compound ("WCGOC"), which had been put forward by the Administration many years ago, took such a long time to materialize progressively. She requested the Administration to expedite the relocation exercise.

4. Deputy Secretary for Financial Services and the Treasury (Treasury)3 ("DS(Tsy)3/FSTB") replied that the relocation exercise involved the construction of nine new government buildings (i.e. the nine replacement building projects), 28 government departments and the Judiciary awaiting relocation and more than 10 000 staff members. Time was therefore required for the Administration to go through the relevant procedures, which included identifying sites for construction of the new buildings, coordinating with the affected government departments, and consulting local District Councils ("DCs") on the community facilities that should be provided in those new buildings. He further said that among the nine replacement

building projects, the West Kowloon Government Offices, for which project funding had been approved, was nearly completed. Apart from the new IR Tower, the Administration also intended to submit funding proposals to the Subcommittee and the Finance Committee ("FC") within the current legislative session for construction of the Joint-user Government Office Building in Cheung Sha Wan and the Government Data Centre Complex. Funding proposals for projects of other new buildings would be submitted one after the other. It was the Administration's target to complete all the replacement building projects by 2026.

5. Ms Tanya CHAN enquired about the use of the site to be vacated by the demolition of WCGOC, and the estimated floor area available for development.

6. DS(Tsy)3/FSTB said that under the latest plan of the Government, the existing location of WCGOC would be converted for uses as convention and exhibition ("C&E") facilities, hotels and offices. The Government was conducting a study on the plan and the Commerce and Economic Development Bureau would release further details once available.

7. Dr Fernando CHEUNG considered that the present co-location arrangement of the Inland Revenue Department ("IRD") and a number of government departments at WCGOC certainly had some advantages, e.g. facilitating operational processes, and promoting coordination and collaboration among departments. In this connection, he was concerned whether such benefits would vanish after the relocation of IRD to the new IR Tower, and whether the operation of IRD would be affected by the relocation.

8. Deputy Secretary for Financial Services and the Treasury (Treasury)2 ("DS(Tsy)2/FSTB") responded that the proposed relocation to the new IR Tower would have no implications on the operation of IRD. DS(Tsy)3/FSTB supplemented that all the 28 government departments and the Judiciary currently housed in WCGOC operated independently. In addition, as there were different means (e.g. e-mail) for departments to communicate with one another, co-location of the offices of different departments might not be necessary. Meanwhile, the Administration would certainly ensure that the relocation exercise would not affect the operation of various departments and inter-departmental co-operation.

9. Dr Fernando CHEUNG also opined that the Administration's proposal to demolish and redevelop the three government buildings of WCGOC, which were only built some 20 years ago, ran counter to environmentally-friendly principles. Expressing similar views,

Mr CHAN Chi-chuen enquired about the criteria adopted by the Administration in deciding the demolition of existing government buildings, and whether it could be ensured that well-maintained government buildings which were completed not too long ago would not be demolished in future. Ms Claudia MO also expressed reservation about the demolition of WCGOC. Mr CHU Hoi-dick was opposed to the demolition.

10. DS(Tsy)3/FSTB explained that the Administration currently had no guidelines which specified that government buildings could only be demolished after reaching a certain age. In deciding whether existing government buildings should be demolished, the Administration would consider the possibility of preserving the buildings for other uses.

11. Dr KWOK Ka-ki cited the example of the 49-year-old Murray House which needed not to be demolished for conversion to a hotel. He also pointed out that in overseas places, many buildings over 100 years old could still be converted to offices. Dr KWOK called on the Administration to preserve WCGOC for C&E, hotel and office uses.

12. Dr Junius HO also opined that the Administration should retain the three government buildings and refit them for new uses, so as to reduce construction waste and achieve cost savings.

13. Mr YIU Si-wing said that in considering whether WCGOC should be demolished and redeveloped, the Administration should determine whether the buildings, if retained and converted to C&E use, could provide competitive C&E facilities in the light of factors such as their current conditions and external appearances apart from environmentally-friendly principle.

14. Director of Architectural Services ("DArchS") responded that the Administration took note of members' views on whether WCGOC should be demolished in future. In general, the preservation of a building hinged on a wide range of considerations. She explained that the floor height limits and the absence of raised flooring for laying of cabling ducts had imposed certain constraints on the government departments operating there. As such, the Administration proposed to relocate the government departments currently housed in those buildings.

15. The Chairman reminded members that the question on whether WCGOC should be demolished was not directly related to the agenda item under deliberation. Besides, the Administration had not yet finalized its plan. It was not necessary for the Subcommittee to discuss the matter in length at this stage.

16. Mr KWONG Chun-yu recalled that Yuen Long DC had passed a motion in 2008 demanding the Administration to consider relocating the offices of some government departments at WCGOC to Yuen Long, so as to promote economic development and provide more job opportunities in the district. Mr KWONG enquired whether the suggestion had been considered by the Administration, and about the reason for it not being accepted eventually.

17. Mr CHU Hoi-dick also considered that the new IR Tower should be located in a relatively remote area in order to promote local employment for local residents. Mr LAU Kwok-fan suggested that the Administration should consider locating new government buildings in the New Territories (e.g. North District) when planning for these buildings in future, so as to alleviate the traffic pressure on the road networks between the New Territories and the urban areas.

18. DS(Tsy)2/FSTB explained that reprovisioning the Revenue Tower in KTD, which was in the centre of Kowloon, was aimed at continuing the provision of easily accessible services to taxpayers after reprovisioning. DS(Tsy)3/FSTB supplemented that the locations of all the nine replacement building projects were identified after thorough consideration, and some of them, e.g. Tseung Kwan O Government Offices, were relatively far from urban areas. The Administration also took note of members' suggestions, which would be considered when implementing other reprovisioning projects involving government buildings in future.

19. As the contents of some questions put forward by members involved broad policy issues relating to the location of new government buildings, the Chairman reminded members that such policy issues should be raised at the meetings of the Council or a relevant Panel.

20. Ms Claudia MO said that after the funding proposal for the new Broadcasting House of Radio Television Hong Kong ("RTHK") had been voted down by the Subcommittee, the Administration proposed a joint-user option for RTHK to share office buildings with other government departments. She enquired whether the nine replacement building projects had any space to accommodate RTHK.

21. DS(Tsy)2/FSTB explained that the nine replacement building projects were for the relocation of the government departments at WCGOC, which did not include RTHK.

Cost of works

22. Ms Claudia MO requested the Administration to confirm whether the cost of the proposed project at \$3,600 million included expenditures on items such as internal refurbishment of the new IR Tower, and whether it would not be necessary to seek further funding for the new IR Tower project in future. DS(Tsy)2/FSTB and DArchS confirmed that the proposed project cost included the costs of about \$118 million for furniture and equipment, and about \$327 million for contingencies.

23. Ms Starry LEE enquired how the Administration ensured that the proposed project would not experience cost overruns, and whether the design could be kept simple and minimal in order to lower the project cost of the new IR Tower.

24. DS(Tsy)2/FSTB and DArchS explained that the concept of 3S (standardization, simplification and single-integrated element) would be applied to the design of the new IR Tower for cost management purposes. The Administration estimated that the construction unit cost of the new IR Tower was \$34,815 per square metre of construction floor area, which was slightly lower than the corresponding cost of the adjacent Trade and Industry Tower. Moreover, the proposed works would be delivered through a design-and-build contract. The Administration believed that the construction works could be completed within budget.

Design and facilities of the new Inland Revenue Tower*Net operational floor area in the new Inland Revenue Tower*

25. Ms Tanya CHAN was concerned whether the floor area of the new IR Tower was sufficient to meet IRD's future operational needs. She enquired how the Revenue Tower in Wan Chai compared with the new IR Tower in terms of net operational floor area ("NOFA"). Mr Jeremy TAM enquired about the number of IRD staff currently working at the Revenue Tower in Wan Chai, and whether the number of staff working at the new IR Tower in future would be different.

26. DS(Tsy)2/FSTB responded that the NOFAs of the Revenue Tower in Wan Chai and the new IR Tower were some 41 000 square metres and 45 000 square metres respectively. In designing the new IR Tower, the Administration had taken into account IRD's needs to expand its facilities for receiving the public and its manpower increase. About 3 000 IRD staff members were currently working at the Revenue Tower in Wan Chai. The

number of IRD staff working at the new IR Tower in future was expected to be slightly higher than the current number.

Parking spaces for vehicles, motorcycles and bicycles

27. Dr KWOK Ka-ki and Mr Jeremy TAM were concerned whether the 66 car parking spaces provided at the new IR Tower were sufficient to meet the parking demand of IRD staff members and visitors. Dr KWOK was also concerned whether there would be enough parking spaces at the building for use by the disabled. Mr TAM enquired whether the proportion of disabled parking spaces was unduly high in the total number of parking spaces at the building; the rank and number of IRD staff who could use the parking spaces; and the number of parking spaces at the building which provided charging facilities for electric vehicles.

28. DS(Tsy)2/FSTB replied that IRD was allocated 33 private car parking spaces at the existing Revenue Tower in Wan Chai, including four for use by the disabled. In response to the suggestion put forth earlier by members of the Panel on Financial Affairs, the Administration decided to install double-decker parking systems at grade at the new IR Tower, so as to increase the number of parking spaces from 40 in the original proposal to 66, including eight for use by the disabled.

29. DArchS supplemented that under the current design, the provision of parking spaces for the disabled at the new IR Tower was above the relevant standards set out in the Hong Kong Planning Standards and Guidelines ("HKPSG"), which prescribed that the building should provide four of such parking spaces. IRD would decide on the specific arrangement on the use of those parking spaces in future. Moreover, upon the commissioning of the new IR Tower, 30% of the parking spaces would provide charging service for electric vehicles, while the remaining 70% would be equipped with supporting facilities to allow for the installation of charging facilities in future if necessary.

30. Mr Jeremy TAM, Ms Tanya CHAN and Ms Claudia MO were all concerned about the availability of sufficient public parking spaces in the vicinity of the new IR Tower.

31. DS(Tsy)2/FSTB said that as shown on the plan at Enclosure 7 to [PWSC\(2017-18\)29](#), a site designated as comprehensive development area was located to the southwest of the new IR Tower. The developer which was awarded the site would build shopping malls, offices and a car park with about 900 parking spaces.

32. In response to Mr CHAN Han-pan's enquiry about the operation of the double-decker parking systems, DS(Tsy)2/FSTB explained that the double-decker parking systems the Administration intended to introduce were new designs. The systems used a roller to bring vehicles on the upper deck to the ground without moving the vehicles on the lower deck.

33. Mr LEUNG Che-cheung said that since an additional cost of about \$14 million was involved in the installation of double-decker parking systems and the parking spaces so provided would not be open for public use, he did not support the proposal of installing the double-decker parking systems. He also opined that reverting to the original design (i.e. 40 parking spaces) would not have any implications on the proposed works. Ms Claudia MO also had reservation about installing the double-decker parking systems.

34. DS(Tsy)2/FSTB reiterated that in response to the suggestion put forth earlier by members of the Panel on Financial Affairs, the Administration had decided to increase the number of parking spaces at the new IR Tower through installing the double-decker parking systems at grade, having regard to factors such as the cost effectiveness of different options.

35. Mr CHAN Han-pan enquired whether the 66 parking spaces provided at the new IR Tower had reached the upper limit for parking space provision prescribed under HKPSG; if not, why the Administration did not increase the number of parking spaces to the maximum level allowed under HKPSG.

36. DArchS responded that according to the relevant standards stipulated under HKPSG, the new IR Tower could provide some 200 parking spaces. However, the Administration decided to provide 66 parking spaces at the new IR Tower taking into account the traffic impact assessment findings and the overall supply of parking spaces in the vicinity of the building (e.g. the 900 odd parking spaces to be provided at the aforementioned comprehensive development area site near the new IR Tower, and the large number of parking spaces to be provided at the commercial areas in San Po Kong and near the new IR Tower).

37. Mr CHAN Han-pan was not convinced of the Administration's response. He opined that the parking space provision of a development project should adhere to the upper limit prescribed under HKPSG, instead of hinging on the overall supply of parking spaces in the vicinity of the project site. Furthermore, even if the number of parking spaces at the new IR Tower was increased to the maximum level allowed under HKPSG, the impact on nearby traffic conditions would be insignificant. Dr Junius HO expressed similar views.

38. Dr KWOK Ka-ki enquired about the number of IRD staff commuting to and from work by motorcycle, and whether the Administration would provide motorcycle parking spaces at the new IR Tower; if so, of the details.

39. DArchS replied that as motorcycle parking did not require much space, the Administration might consider providing such parking spaces on the ground floor of the new IR Tower in future if necessary. The Administration undertook to provide information on motorcycle parking spaces after the meeting.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC167/17-18\(01\)](#) on 12 April 2018.)

40. Mr Jeremy TAM enquired whether the Administration would provide parking spaces for bicycles in the IR Tower or nearby areas, so as to complement the planning concept of KTD in creating a walkable and accessible environment; if so, of the details. The Administration undertook to provide the information requested by Mr TAM after the meeting.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC167/17-18\(01\)](#) on 12 April 2018.)

Green and other facilities

41. Dr KWOK Ka-ki enquired whether the Architectural Services Department ("ArchSD") had guidelines in place requiring the installation of water dispensers at government buildings for use by staff and the public. Permanent Secretary for Development (Planning and Lands), DS(Tsy)2/FSTB and DArchS advised that matters relating to the distribution of facilities at government buildings were handled by a team set up under the Financial Services and the Treasury Bureau. Moreover, ArchSD would also arrange for the provision of supporting facilities such as power connection, water mains, etc., at suitable locations in government buildings to facilitate the installation of water dispensers. As for the new IR Tower, the Administration would provide water dispensers for IRD staff working at the building. At the further request of Dr KWOK, the Administration undertook to provide a written response on its plan to install water dispensers in public venues of the new IR Tower and the relevant details.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC167/17-18\(01\)](#) on 12 April 2018.)

42. Referring to the Administration's supplementary information paper provided for the Subcommittee ([LC Paper No. PWSC140/17-18\(01\)](#)), Mr CHU Hoi-dick enquired the reason why the Administration had not revealed the payback period of the photovoltaic system to be installed under the proposed project as per his request at the meeting on 12 February 2018, and asked the Administration to submit the relevant information again.

43. DArchS explained that photovoltaic systems, which were renewable energy facilities, had longer payback periods in general. Nonetheless, the payback period was not the sole criterion to consider in setting up those facilities. She said that further information would be provided after the meeting.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC167/17-18\(01\)](#) on 12 April 2018.)

44. Dr KWOK Ka-ki was concerned whether the lactation rooms and baby care rooms at the new IR Tower would be open for public use. In response, DArchS said that the lactation rooms at the new IR Tower were restricted to IRD staff only, while the baby care rooms on the ground floor and second floor of the building would be open for public use.

Other facilities to be accommodated in the new Inland Revenue Tower

45. Mr Jeremy TAM suggested that the Administration should increase the floor area of the new IR Tower or other proposed government buildings in KTD for provision of outpatient clinics and dental clinics for civil servants, so as to meet the demand for healthcare services of the civil servants working in KTD.

46. DS(Tsy)3/FSTB said that in implementing the nine replacement building projects, the Administration would decide whether community facilities or services for civil servants should be provided in the new buildings having regard to the buildings' accommodation capacities, local demand, and the views of the Civil Service Bureau ("CSB"). For instance, a child care centre, and an outpatient clinic and a dental clinic for civil servants, would be provided at the proposed Tseung Kwan O Government Offices. In the case of the new IR Tower, it was difficult to provide additional public facilities as the building design had been substantially completed. In response to the suggestion of Mr TAM, works departments would liaise with CSB to examine the need to provide outpatient clinics and dental clinics for civil servants at other proposed government buildings in KTD.

47. Mr CHU Hoi-dick pointed out that according to Report No. 69 of the Director of Audit, the total area of leased accommodation for government offices in the private property market was more than 300 000 square metres in 2016, among which 20 000 square metres were located in Wan Chai district, where supply of office space was limited. In this connection, he enquired whether the Administration would relocate some government offices currently accommodated in leased private properties (especially those in private properties in Wan Chai district) to the nine replacement building projects; if so, about the government offices involved.

48. DS(Tsy)3/FSTB replied that some of the nine replacement building projects were joint-user buildings. The Government would reserve space in those buildings for government users, including some government offices currently accommodated in leased private properties.

49. Mr WU Chi-wai enquired whether the design of the new IR Tower was provided with spare capacity to cater for future expansion needs, and whether spare capacity was provided on the roof for greening works and public access in future. Mr WU also enquired whether government departments providing public services (e.g. the Social Welfare Department) had requested that space be reserved at the project site for public service facilities when the use of the new IR Tower site was still under planning.

50. DArchS said that as the plot ratio of the new IR Tower at 7.6 already reached the level recommended by the Planning Department and was higher than that of the adjacent Trade and Industry Tower (i.e. 6.5), and in view of ventilation considerations, the current design of the new IR Tower had optimize the use of the site. It was therefore not necessary to provide spare capacity in the design. DArchS further said that under the current design, landscaping works would be carried out on part of the roof of the new IR Tower, while the remaining area would be installed with solar panels, heat shields, etc.. Should the roof floor be converted for other uses, a number of factors (e.g. whether the fire escape and other supporting facilities could cope with additional roof users) would have to be considered apart from the capacity of the roof floor.

51. DS(Tsy)2/FSTB and DS(Tsy)3/FSTB supplemented that when planning the uses of joint-user buildings, the Administration would take into account the views of various government departments (including the Social Welfare Department) and DCs in the provision of public service facilities at those buildings. For a departmental building like the new IR Tower, the Administration would consider providing public service facilities only when spare capacity was still available after satisfying the operational

needs of the relevant department. In the case of the new IR Tower dedicated for use by IRD, the current design barely met the operational needs of IRD even though both the plot ratio of the site and building height almost reached the upper limits permitted. As such, the Administration would not provide other public service facilities at the new IR Tower.

Disposal of construction waste

52. Mr LAU Kwok-fan noted that 60.5% of the 101 810 tonnes of construction waste generated by the proposed project would be delivered to public fill banks for subsequent reuse, while the surplus fill materials would be delivered to Taishan Municipal, Guangdong Province, for reclamation purpose. Mr LAU was concerned about the long period of time during which construction waste would be left at public fill banks and that the problem of overflowing public fill banks was getting worse, especially when Taishan Municipal had stopped receiving fill materials in recent years. In this connection, Mr LAU enquired about the length of time for which fill materials should be left at public fill banks, the cost involved, how the fill materials would be put to effective use, and whether any private companies would be willing to collect those fill materials for reuse. The Chairman also expressed concern about the construction waste accumulated at public fill banks.

53. Permanent Secretary for Development (Works) and Deputy Director of Environmental Protection (1) replied that the Administration had set up public fill banks in Tseung Kwan O and Tuen Mun to keep inert construction waste generated by local construction works for use in future reclamation works. It was highly unlikely for private enterprises to use such materials for other purposes. As there were not many reclamation works in Hong Kong in recent years, public fill banks were saturated and surplus fill materials would be delivered to Taishan Municipal for reclamation purpose. The Administration expected that the implementation of reclamation works at Tung Chung, etc. would help alleviate the problem of accumulated construction waste.

54. Ms Tanya CHAN opined that the demolition of government buildings would generate a lot of construction waste. However, this should not be used as an excuse for implementing more reclamation works to dispose the construction waste.

Accessibility of the new Inland Revenue Tower

55. Ms Tanya CHAN noted that users of the new IR Tower might access the new building from Kai Tak Station of the MTR Shatin-to-Central Link via a proposed underground shopping street. Ms Tanya CHAN enquired about the volume of pedestrian traffic accessing the new building by MTR in future, whether the underground shopping street could cope with the pedestrian traffic, and the means of transport available to users for accessing the new IR Tower apart from MTR.

56. DS(Tsy)2/FSTB said that the walking distance between the new IR Tower and MTR Kai Tak Station was only a few minutes. Moreover, Prince Edward Road East outside the new IR Tower was serviced by a number of bus and minibus routes. As regards the pedestrian traffic heading for the new IR Tower, it was expected that about 2 000 to 3 000 members of the public would visit IRD per day, in addition to about 3 000 IRD staff. The Administration would ensure that the shopping street could cope with the pedestrian traffic.

57. There being no further questions on the item from members, the Chairman put the item to vote.

58. The item was voted on and endorsed. Mr Jeremy TAM requested that this item, i.e. PWSC(2017-18)29, be voted on separately at the relevant FC meeting. Mr TAM also said that he would consider withdrawing his request for the item to be voted on separately if the Administration could provide a satisfactory reply to his concerns before the FC meeting.

(Post-meeting note: On the same day after the meeting (i.e. 19 March 2018), Dr KWOK Ka-ki informed the Secretariat via his assistant that he requested that the item, i.e. PWSC(2017-18)29, be voted on separately at the relevant FC meeting. Subsequently, Mr TAM and Dr KWOK informed the Secretariat on 12 April 2018 of their decisions to withdraw their requests for the item to be voted on separately. Members were informed of the decisions vide LC Paper No. FC232/17-18 on the same day.)

Head 703 – Buildings**PWSC(2017-18)30 794CL The demolition of existing superstructures at Caroline Hill Road site, Causeway Bay**

59. The Chairman advised that the proposal, i.e. PWSC(2017-18)30, sought to upgrade 794CL to Category A at an estimated cost of \$52.6 million in MOD prices for demolition of the existing superstructures at the site situated at the junction of Caroline Hill Road and Leighton Road in Causeway Bay ("the CHR site"). The Administration had consulted the Panel on Development on the proposed works on 28 February 2017. A gist of the Panel's discussion was tabled at the meeting. The Subcommittee had discussed the proposal at the meeting on 4 July 2017, but was unable to complete the consideration at the meeting. The proposal was therefore carried over to this meeting.

Traffic impact assessment

60. Mr HUI Chi-fung said that he did not object to the proposed demolition works in principle. However, the traffic impact assessment ("TIA") conducted earlier by the Administration for the demolition works had not taken into account the traffic impact of the latest development of the CHR site, i.e. rezoning of the site for construction of a Judicial Complex for the District Court ("the Judicial Complex") and for commercial development. Mr HUI enquired whether the Administration would conduct another TIA in view of the latest development of the CHR site and furnish the local District Council ("DC") and LegCo with the assessment findings.

61. Ms Claudia MO was concerned that given the already congested traffic conditions in Causeway Bay, how the Administration would deal with the traffic pressure arising from the redevelopment of the CHR site on the area. She also requested the Administration to provide members with the latest TIA data in relation to the future development of the CHR site.

62. Principal Assistant Secretary for Development (Works)4 ("PAS(W)4/DEVB") responded that the Administration had conducted a preliminary TIA for the proposed demolition works in 2014 based on the planning parameters at the time. As the 2016 and 2017 Policy Addresses had proposed to rezone the CHR site for commercial development and construction of the Judicial Complex, the Administration was conducting an air ventilation assessment and a TIA. Upon completion of the assessments, the Administration would consult the local DC on the rezoning proposal and submit the relevant information (including the assessment findings).

Future development planning

63. Ms Claudia MO opined that although the CHR site was subsumed under the Wong Nai Chung Outline Zoning Plan ("OZP"), the future development of the site should be planned together with the developments under the adjacent Causeway Bay OZP as a whole.

64. Mr HUI Chi-fung was dissatisfied that the Administration could not explain clearly to the public and LegCo Members the specific details of the future redevelopment of the CHR site, such as the scale of the Judicial Complex and the court facilities to be provided therein. Mr CHAN Chi-chuen expressed similar concern.

65. Mr KWONG Chun-yu sought details about the proposed rezoning of the CHR site in future for construction of the Judicial Complex and commercial development, including the respective areas to be occupied by those two purposes. Mr KWONG and Mr CHAN Chi-chuen also enquired whether the Administration was required to submit an application to the Town Planning Board ("TPB") for rezoning.

66. Mr CHAN Chi-chuen pointed out that the CHR site and the existing superstructures had been left vacant for a long time. He enquired why the Administration came up with the plan to demolish the superstructures and redevelop the CHR site only until now. Mr CHAN also enquired about the expected completion date of the Judicial Complex, and whether the existing superstructures at the CHR site could be partially demolished to release the space required for commencing the construction works of the Judicial Complex.

67. PAS(W)4/DEVB and District Planning Officer (Hong Kong), Planning Department, replied that the CHR site measured about 26 300 square metres in area, while the total floor area of the existing superstructures to be demolished was 28 678 square metres. The Administration proposed to increase the construction floor area of the CHR site to about 170 000 square metres in future, including 100 000 square metres for commercial development and the remaining 70 000 square metres for construction of the Judicial Complex. As the existing superstructures were scattered across the site area, it would be difficult to implement new development works unless those structures were all demolished.

68. PAS(W)4/DEVB further said that most of the CHR site was currently zoned "Government, Institution or Community" ("G/IC"). Although the area currently zoned G/IC could be used for construction of the Judicial Complex, the Administration was still required to submit the rezoning

proposal to TPB as it involved relaxing the building height restrictions under OZP. Deputy Secretary for Financial Services and the Treasury (Treasury)³ supplemented that the Judiciary currently accommodated in WCGOC would be relocated to the proposed Judicial Complex, and the Administration was discussing with the Judiciary on the details of the relocation arrangement. As such, the Administration was unable to provide details of the development plan of the proposed Judicial Complex at this stage.

69. Mr CHAN Chi-chuen requested the Administration to provide supplementary information on whether the CHR site could be put to other temporary uses (e.g. temporary car parks, bazaars) during the time between the completion of the proposed demolition works and commencement of the development works.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members vide [LC Paper No. PWSC157/17-18\(01\)](#) (Chinese version) on 28 March 2018.)

Consultation process

70. Ms Claudia MO questioned why the Administration submitted the funding proposal for the proposed demolition works despite the opposition of local DC members and residents.

71. PAS(W)4/DEVB explained that the early commencement of the proposed demolition works would facilitate the release of land for redevelopment and the demolition works would take about 17 months to complete. As such, the Administration considered it high time to commence the demolition works in order not to affect the development progress of the CHR site in future. Regarding the future development of the CHR site, the Administration was expected to consult local DC on the proposed land use and submit the rezoning proposal to TPB in the second quarter of 2018.

Implications on residents and the environment

72. Mr KWONG Chun-yu was concerned how the Administration would minimize the nuisance caused by the proposed demolition works to nearby residents. Ms Claudia MO enquired how the Administration would deal with the three important trees which would be affected by the proposed demolition works.

73. Deputy Director of Architectural Services responded that the Administration had conducted detailed studies on how to mitigate the noise nuisance generated by the proposed demolition works, restrict the access of

works vehicles to the work site, protect the trees within the work site, and remove the asbestos containing materials in the existing superstructures, and had formulated the corresponding measures. There were clauses in the works contract to ensure that the contractor complied with the relevant standards and environmental requirements.

74. As the contents of some questions put forward by members involved the policy on the future development of the CHR site, the Chairman reminded members that such policy issues should be raised at the meetings of the Council or a relevant Panel. Mr KWONG Chun-yu considered it inevitable for members' questions to touch upon the future development of the CHR site given its implications on the residents and traffic in the vicinity.

[At 6:41 pm, the Chairman said that several members were still waiting for their turns to speak. He asked members if they agreed to extend the meeting until Mr CHAN Chi-chuen finished asking his questions. Members present agreed.]

75. The Chairman said that the Subcommittee would continue to discuss this item at the next meeting. The meeting ended at 6:47 pm.

Council Business Division 1
Legislative Council Secretariat
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