

**立法會**  
**Legislative Council**

LC Paper No. CB(1)302/18-19  
(These minutes have been seen by  
the Administration)

Ref : CB1/PS/2/16

**Panel on Development and Panel on Home Affairs**

**Joint Subcommittee to monitor the implementation of  
the West Kowloon Cultural District Project**

**Minutes of meeting held on  
Monday, 11 June 2018, at 8:30 am  
in Conference Room 2 of the Legislative Council Complex**

**Members present** : Hon LAU Kwok-fan, MH (Chairman)  
Hon Tanya CHAN (Deputy Chairman)  
Hon Abraham SHEK Lai-him, GBS, JP  
Hon Steven HO Chun-yin, BBS  
Hon Frankie YICK Chi-ming, SBS, JP  
Hon YIU Si-wing, BBS  
Hon MA Fung-kwok, SBS, JP  
Hon CHAN Chi-chuen  
Dr Hon Helena WONG Pik-wan  
Hon Jimmy NG Wing-ka, JP  
Dr Hon Junius HO Kwan-yiu, JP  
Hon Holden CHOW Ho-ding  
Hon Tony TSE Wai-chuen, BBS

**Member attending** : Hon Vincent CHENG Wing-shun, MH

**Members absent** : Hon Claudia MO  
Hon CHU Hoi-dick  
Hon CHEUNG Kwok-kwan, JP

**Public officers  
attending**

**: Agenda items II to IV**

Mrs Cherry TSE LING Kit-ching, JP  
Permanent Secretary for Home Affairs

Mrs Sorais LEE KWAN Siu-kuen, JP  
Project Manager (Home Affairs Bureau)

**Agenda items III to IV**

Mrs Angelina CHEUNG FUNG Wing-ping, JP  
Deputy Secretary for Home Affairs (2)

Mr Eric CHENG Siu-fun  
Principal Assistant Secretary for Home Affairs  
(West Kowloon Cultural District)

**Agenda item II**

Mr Andy YEUNG Yan-kin  
Assistant Director (Headquarters)  
Fire Services Department

Mr WONG Ka-wing  
Senior Divisional Officer (Planning Group)  
Fire Services Department

Mr David CHAK Wing-pong  
Project Director/2  
Architectural Services Department

Mr HO Tat-hei  
Senior Project Manager 233  
Architectural Services Department

**Agenda item III**

Ms Alice PANG, JP  
Project Manager (South)  
Civil Engineering and Development Department

Mr Edmund CHAN Ping-wa  
Chief Engineer/South 2  
Civil Engineering and Development Department

**Attendance by invitation : Agenda item IV**

Mr Duncan PESCOD, GBS, JP  
Chief Executive Officer  
West Kowloon Cultural District Authority

Dr William CHAN  
Chief Operating Officer  
West Kowloon Cultural District Authority

Mr Richard TSE  
Executive Director, Finance  
West Kowloon Cultural District Authority

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

**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

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Action

**I Paper(s) issued since the last meeting**

(LC Paper No. CB(1)1043/17-18(01) — Hon Tony TSE  
Wai-chuen's letter dated 25  
May 2018 to the Chairman  
of the Joint Subcommittee  
on integration and  
connectivity of the West  
Kowloon Cultural District  
with its neighbouring  
district

LC Paper No. CB(1)1043/17-18(02) — Hon Tanya CHAN's letter  
dated 29 May 2018 to the  
West Kowloon Cultural

District Authority on integration and connectivity of the West Kowloon Cultural District with its neighbouring district

LC Paper Nos. — Letter dated 23 May 2018 from the Clerk to Joint Subcommittee to the Secretary for Home Affairs on consultancy study reports in relation to the development of Mega Performance Venue and Exhibition Centre and the Administration's response dated 6 June 2018)

CB(1)1088/17-18(01) and (02)

Members noted that the above papers had been issued since the last meeting on 11 May 2018.

**II Relocation of supporting operational facilities of Tsim Sha Tsui Fire Station Complex, Fire Services Club and other Fire Services accommodations to To Wah Road, Kowloon**

(LC Paper No. CB(1)1066/17-18(01) — Administration's paper on relocation of supporting operational facilities of Tsim Sha Tsui Fire Station Complex, Fire Services Club and other Fire Services accommodations to To Wah Road, Kowloon)

2. The Chairman reminded members that in accordance with Rule 83A of Rules of Procedure of the Legislative Council, they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects.

3. The Joint Subcommittee deliberated (index of proceedings in the **Annex**).

4. The Administration was requested to provide the following information:

- (a) the report of the risk assessment conducted by the Fire Services Department ("FSD") in respect of the planned storage of dangerous goods at the proposed new building at To Wah Road, and indicating in particular whether the assessment had taken into account the distance of the proposed new building from the nearby residential buildings (e.g. Sorrento) and the CLP Power Hong Kong Limited Centenary Substation;
- (b) in the funding proposal to be submitted to the Public Works Subcommittee ("PWSC"), (i) a detailed breakdown of the estimated cost (i.e. about \$1,200 million in money-of-the-day prices) of the proposed works on the demolition, relocation and reprovisioning of relevant facilities covered under the project, and (ii) a floor plan of the proposed new building at To Wah Road; and
- (c) whether the Administration would consider expanding the area of the Fire Services Club to be reprovisioned at the proposed new building at To Wah Road and keeping a barbecue area there, and/or identifying other site(s) for providing recreational club facilities of FSD.

*(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)123/18-19(01) on 31 October 2018.)*

5. Concluding the discussion, the Chairman said that members did not raise objection to the Administration's submission of this funding proposal to PWSC for consideration.

### **III Proposed extension of supernumerary directorate posts in the Home Affairs Bureau and the Civil Engineering and Development Department relating to the West Kowloon Cultural District Project**

(LC Paper No. CB(1)1066/17-18(02) — Administration's paper on proposed extension of supernumerary directorate posts in the Home Affairs

Bureau and the Civil Engineering and Development Department relating to the West Kowloon Cultural District Project

LC Paper No. CB(1)1066/17-18(03) — Paper on proposed extension of supernumerary directorate posts in the Home Affairs Bureau and the Civil Engineering and Development Department relating to the West Kowloon Cultural District project prepared by the Legislative Council Secretariat (Background brief)

6. The Joint Subcommittee deliberated (index of proceedings in the **Annex**).

7. The Administration was requested to provide the following information:

- (a) whether and how the concerned supernumerary directorate posts in the Home Affairs Bureau ("HAB") and/or the Civil Engineering and Development Department ("CEDD") would monitor the works of the West Kowloon Cultural District ("WKCD") that were undertaken by the West Kowloon Cultural District Authority, including conducting on-site inspections to check the works quality and progress, etc.; and
- (b) apart from taking forward the relevant works projects of WKCD, other work focuses of the concerned supernumerary directorate posts in HAB and CEDD in the coming years in relation to the implementation of the WKCD project, such as overseeing the progress and financial arrangements.

*(Post-meeting note: The Administration's supplementary information was circulated to members vide LC Paper No. CB(1)123/18-19(01) on 31 October 2018.)*

**IV The Art, Commerce and Exhibitions Development Package (formerly known as the Exhibition Hub Development Area) and Artist Hostel/Residence of the West Kowloon Cultural District**

(LC Paper No. CB(1)1066/17-18(04) — Administration's paper on the Art, Commerce and Exhibitions Development Package (formerly known as the Exhibition Hub Development Area) and Artist Hostel/Residence of the West Kowloon Cultural District

LC Paper No. CB(1)1066/17-18(05) — Paper on the Art, Commerce and Exhibitions Development Package of the West Kowloon Cultural District prepared by the Legislative Council Secretariat (Background brief))

8. The Joint Subcommittee deliberated (index of proceedings in the **Annex**).

*[At 10:24 am, the Chairman ordered that the meeting be extended beyond 10:30 am to complete the discussion on the item.]*

**V Any other business**

Proposed extension of period of work of the Joint Subcommittee

(LC Paper No. CB(1)1057/17-18(01) — Paper on proposed extension of period of work of the Joint Subcommittee prepared by the Legislative Council Secretariat)

9. Members agreed that the Joint Subcommittee should seek for an extension of its work in the 2018-2019 session in accordance with

rule 26(c) of the House Rules. The Chairman advised that, subject to the endorsement of the Panel on Development ("DEV Panel") and the Panel on Home Affairs ("HA Panel"), the proposal would be submitted to the House Committee for approval.

*(Post-meeting note: The proposal of the extension of the work period of the Joint Subcommittee was circulated to members of the DEV Panel and the HA Panel for endorsement vide LC Paper No. CB(1)1168/17-18 on 25 June 2018. The proposal was supported by a majority of the members of the two Panels, and was then submitted to and endorsed by the House Committee at its meeting on 6 July 2018.)*

10. There being no other business, the meeting ended at 10:31 am.

Council Business Division 1  
Legislative Council Secretariat  
10 December 2018

**Panel on Development and Panel on Home Affairs**

**Proceedings of meeting of the Joint Subcommittee to Monitor  
the Implementation of the West Kowloon Cultural District Project  
held on Monday, 11 June 2018, at 8:30 am  
in Conference Room 2 of the Legislative Council Complex**

<b>Time marker</b>	<b>Speaker(s)</b>	<b>Subject(s)/Discussion</b>	<b>Action required</b>
<b>Agenda Item I – Paper(s) issued since the last meeting</b>			
000528-000543	Chairman	Members noted the papers issued since the last meeting.	
<b>Agenda Item II – Relocation of supporting operational facilities of Tsim Sha Tsui Fire Station Complex, Fire Services Club and other Fire Services accommodations to To Wah Road, Kowloon</b>			
000544-002041	Chairman Administration	Briefing and powerpoint presentation by the Administration [LC Paper Nos. CB(1)1066/17-18(01) and CB(1)1107/17-18(01)]	
002042-002625	Chairman Deputy Chairman Administration	<p>The Deputy Chairman asked about:</p> <p>(a) the site area of the remaining portion of the existing Tsim Sha Tsui Fire Station Complex ("TSTFSC"), and whether it tallied with the area requirement for a divisional fire station under the Hong Kong Planning Standards and Guidelines ("HKPSG");</p> <p>(b) whether the Administration would consider not to proceed with the relocation of the remaining portion of the existing TSTFSC which involved the operational facilities of the fire station, fireboat pier and other ancillary facilities, in view of the difficulty in identifying a suitable new location that could enable the fire appliances to meet the graded response time of six minutes for emergency fire services;</p> <p>(c) the number of storeys of the proposed new building at To Wah Road; and</p> <p>(d) whether the floor area of the Fire Services Club ("FS Club") would be increased after relocating to the proposed new building at To Wah Road to cater for more users, and whether all the existing facilities of the FS Club would be reprovisioned.</p> <p>The Administration responded that:</p> <p>(a) the site area of the remaining portion of the TSTFSC (excluding the dangerous goods stores)</p>	

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		<p>was roughly about the size of 2 960 square metres ("m<sup>2</sup>") that was required for a standard divisional fire station under HKPSG;</p> <p>(b) in identifying a suitable site for relocating the operational facilities of the fire station in phase 3 of the relocation plan, the Fire Services Department ("FSD") would make use of computer modelling to ensure that the fire appliances at the new location could reach the built-up areas of Yau Tsim District to respond to emergency fire calls within the graded response time of six minutes (including four minutes' road traveling time);</p> <p>(c) the proposed new building at To Wah Road would be a 12-storey building with two distinctive masses, viz., a three-storey podium plus a nine-storey rectangular block; and</p> <p>(d) after relocation to the proposed new building, the FS Club's open space, which included a children's playground and landscape desk on the rooftop, would be slightly smaller comparing to the old location, but its indoor area would be about the same size with similar facilities such as restaurant, reading room, conference room, billiard room and table tennis room, etc.</p>	
002626-003031	Chairman Dr Helena WONG Administration	<p>Dr WONG declared that she was residing at Sorrento on Austin Road, West Kowloon. She enquired about:</p> <p>(a) the type and quantity of dangerous goods stored in the dangerous goods stores ("DG stores") at TSTFSC; and</p> <p>(b) in respect of FSD's plan to store dangerous goods at the proposed new building at To Wah Road, whether it had conducted any risk assessment; if so, the risk assessment report, and indicating in particular whether the assessment had taken into account the distance of the proposed new building from the nearby residential buildings (e.g. Sorrento) and the CLP Power Hong Kong Limited Centenary Substation.</p> <p>The Administration advised that:</p>	Administration to take follow-up action as per paragraph 4(a) of the minutes

Time marker	Speaker(s)	Subject(s)/Discussion	Action required
		<p>(a) the DG stores that occupied an area of about 178 m<sup>2</sup> at TSTFSC had already been demolished. The stores had formerly been used to keep samples, in small quantities, of Categories 2, 3, 4 and 5 dangerous goods (such as compressed gases and substances giving off inflammable vapours) collected by FSD for presentation to the court as evidence; and</p> <p>(b) the Dangerous Goods Division of FSD had conducted an on-site risk assessment at the site for the proposed new building at To Wah Road according to the fire safety standards and taking into account relevant factors including those mentioned by Dr WONG above. Storage of dangerous goods at the proposed new building should comply with fire safety requirements including the relevant safety code. Appropriate fire service installations and equipment would also be provided at the proposed new building to minimize safety risk.</p>	
003032-003449	Chairman Mr YIU Si-wing Administration	<p>Mr YIU asked about:</p> <p>(a) whether the Administration or the West Kowloon Cultural District Authority ("WKCD") would be responsible for the site formation cost of the vacated TSTFSC site; and</p> <p>(b) the expected time when the remaining portion of the existing TSTFSC that comprised the operational facilities of the fire station could be vacated and handed over to WKCD for development of the Xiqu Square.</p> <p>The Administration replied that:</p> <p>(a) site formation of the vacated area under Phase 1 within the existing TSTFSC site would be covered under the scope of the minor works project;</p> <p>(b) land grant application by WKCD which included the existing TSTFSC site to be vacated was being processed. Yet, as the remaining portion of the existing TSTFSC that comprised the operational facilities of the fire station would only be vacated upon identification of a suitable site outside WKCD for relocating the facilities, it had been agreed with WKCD on the</p>	

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		<p>deferred possession of that area, the ultimate vacation of which would be necessary for the provision of sufficient public open space within WKCD to meet the statutory requirement specified in the South West Kowloon Outline Zoning Plan ("OZP"); and</p> <p>(c) the Administration was pressing ahead with the identification of a suitable site for the above relocation, and in parallel exploring the possible option of first relocating the staff quarters at TSTFSC to hand over the vacated premises to WKCDA.</p>	
003450-003848	Chairman Mr MA Fung-kwok Administration	<p>Mr MA declared that he was a member of the WKCDA Board. He enquired about:</p> <p>(a) the reasons why FSD did not consider using the site at To Wah Road for relocating the whole TSTFSC, but co-locating the FS Club and DG stores at that site which was in his view not desirable; and</p> <p>(b) whether FSD's assessment on the suitability of a potential site for relocating the operational facilities of the fire station at TSTFSC by computer modelling was based on the existing traffic conditions in the district or the projected traffic conditions when WKCD facilities were progressively opened.</p> <p>The Administration explained that:</p> <p>(a) according to the assessment by computer modelling, the site at To Wah Road was not suitable for relocating the operational facilities of the fire station at TSTFSC, as it would take longer than four minutes for the fire appliances to travel from that site to some parts of the built-up areas in Tsim Sha Tsui, including the vicinity of the Hong Kong Cultural Centre. Besides, there was no other fire station in Tsim Sha Tsui that could support the emergency fire services within the graded response time in place of TSTFSC. Due to public safety concern, the operational facilities in the fire station at TSTFSC could not be relocated before identifying a suitable site outside WKCD; and</p> <p>(b) the assessment by computer modelling was</p>	

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		<p>based on the projected traffic conditions in the district when WKCD facilities were progressively opened.</p>	
003849-004253	Chairman Administration	<p>The Chairman asked about:</p> <ul style="list-style-type: none"> <li>(a) in view of the difficulty in identifying a suitable site outside WKCD for relocating the operational facilities of the fire station at TSTFSC shortly, whether the Administration would shelve the relocation of that part, and explore other options to re-provision the required open space within WKCD; and</li> <li>(b) the deadline, if any, for WKCD to fulfil the statutory minimum requirement on the provision of public open space within WKCD under the South West Kowloon OZP; and</li> <li>(c) whether relocating TSTFSC staff quarters for early development by WKCD would cause inconvenience to the existing residents in TSTFSC.</li> </ul> <p>The Administration advised that:</p> <ul style="list-style-type: none"> <li>(a) given the already very dense development in WKCD, there was no other option but to vacate the entire site of TSTFSC, including the operational facilities of the fire station, in order to meet the statutory minimum requirement of providing 23 hectares of public open space in WKCD as specified in the South West Kowloon OZP;</li> <li>(b) the operational facilities of the fire station would be relocated only upon identification of a suitable site outside WKCD; and</li> <li>(c) there should not be any problem if the existing staff quarters at TSTFSC could be re-provisioned within the same district.</li> </ul>	
004254-004627	Chairman Mr CHAN Chi-chuen Administration	<p>Mr CHAN asked if the floor area of the FS Club after relocating to the proposed new building at To Wah Road and the number of car parking spaces provided thereat would remain comparable to the existing FS Club at Wang Chiu Road.</p>	

Time marker	Speaker(s)	Subject(s)/Discussion	Action required
		<p>The Administration replied that:</p> <p>(a) the indoor area of the FS Club after relocating to the proposed new building at To Wah Road would be about 1 155 m<sup>2</sup>, and that of the existing FS Club was about 1 100 m<sup>2</sup>; and</p> <p>(b) there were 14 car parking spaces provided at the existing FS Club. Due to site constraints, other than those car parking spaces designated for official vehicles, there would be no additional car parking space available at the proposed new building at To Wah Road. On this, FSD had consulted the staff and staff unions and sought their agreement.</p> <p>Mr CHAN also requested the Administration to include in the funding proposal to be submitted to the Public Works Subcommittee, (a) a detailed breakdown of the estimated cost (i.e. about \$1,200 million in money-of-the-day prices) of the proposed works on the demolition, relocation and reprovisioning of relevant facilities covered under the project, and (b) a floor plan of the proposed new building at To Wah Road.</p>	<p>Administration to take follow-up action as per paragraph 4(b) of the minutes</p>
004628-004853	Chairman Mr Holden CHOW Administration	<p>Expressing concerns over the impact of the on-going relocation/demolition of the Fire Services accommodations at TSTFSC on its operations, Mr CHOW enquired about the transitional arrangements before the completion of the proposed new building at To Wah Road.</p> <p>The Administration advised that the transitional arrangements included renting commercial premises and private DG stores respectively for the Fire Protection Regional Office and DG stores, as well as moving the Fire Services Workshop at TSTFSC to FSD Kwai Chung Workshop and the Physical Training Establishment to the Fire and Ambulance Services Academy.</p>	
004854-005301	Chairman Deputy Chairman Administration	<p>The Deputy Chairman urged the Administration to review whether it was strictly necessary to relocate TSTFSC for meeting the minimum statutory requirement on the provision of public open space in WKCD.</p> <p>The Administration reiterated that:</p>	

Time marker	Speaker(s)	Subject(s)/Discussion	Action required
		<p>(a) it was necessary to follow the South West Kowloon OZP in the development of WKCD, including the provision of public open space within the district;</p> <p>(b) given the strategic location of the existing TSTFSC in the provision of emergency fire services to WKCD and the adjoining districts, WKCDA agreed not to set any specific timetable for the relocation of the TSTFSC operational facilities; and</p> <p>(c) the Administration had considered all relevant factors, such as the community need and the OZP requirements, before putting forward the proposed relocation plan.</p> <p>The Deputy Chairman requested the Administration to provide a written response on whether it would consider expanding the area of the Fire Services Club to be reprovisioned at the proposed new building at To Wah Road and keeping a barbecue area there, and/or identifying other site(s) for providing recreational club facilities of FSD.</p>	<p>Administration to take follow-up action as per paragraph 4(c) of the minutes</p>
005302-005643	Chairman Dr Helena WONG Administration	<p>Dr WONG wished the Administration not to relocate the TSTFSC operational facilities if no suitable site was identified. She also asked about:</p> <p>(a) when the temporary To Wah Road Bus Terminus next to the proposed new building would be demolished, as well as the future land use of the site after its demolition; and</p> <p>(b) how the proposed new building would still be easily accessible after demolition of the existing temporary To Wah Road Bus Terminus.</p> <p>The Administration responded that:</p> <p>(a) the proposed new building at To Wah Road was conveniently located in the vicinity of the MTR Kowloon Station and Austin Station;</p> <p>(b) the construction of a new permanent bus terminus at a vacant site to the east of the temporary To Wah Road Bus Terminus would soon be completed, upon which some of the existing bus routes plying the temporary bus terminus would terminate at the new permanent bus terminus, while a few other routes would</p>	

Time marker	Speaker(s)	Subject(s)/Discussion	Action required
		<p>terminate at the bus terminus underneath the MTR Kowloon Station; and</p> <p>(c) the site of the temporary To Wah Road Bus Terminus was zoned as open space but the programme for development had yet to be confirmed. In the meantime, the Transport Department was studying the use of this vacant site as a temporary car park to address the shortage of parking spaces in the Yau Tsim Mong District upon demolition of the Yau Ma Tei Multi-storey Carpark Building for the construction of the Central Kowloon Route.</p>	
005644-005903	Chairman Mr YIU Si-wing Administration	<p>Mr YIU enquired about:</p> <p>(a) whether FSD would consider not to locate the DG stores at the proposed new building at To Wah Road given the safety risks and with a view to releasing more spaces for other uses; and</p> <p>(b) whether the Administration would consider installing double-decker parking systems in the proposed new building in order to provide more car parking spaces there.</p> <p>The Administration replied that:</p> <p>(a) the DG stores would be located on the ground floor of the proposed new building and their design should comply with the relevant safety standards; and</p> <p>(b) the land use of the site at To Wah Road had been optimized to provide 19 car parking spaces for use by official vehicles of the Fire Protection Regional Office. That said, Mr YIU's suggestion of installing double-decker parking systems would be considered.</p>	
<b>Agenda Item III – Proposed extension of supernumerary directorate posts in the Home Affairs Bureau and the Civil Engineering and Development Department relating to the West Kowloon Cultural District Project</b>			
005904-010210	Chairman Administration	Briefing by the Administration on its proposal to extend the following posts for four years from 1 April 2019 to 31 March 2023: (a) two supernumerary posts in the Home Affairs Bureau ("HAB"), namely one Principal Government Engineer ("PGE") (D3) and one Administrative	

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		<p>Officer Staff Grade C (D2); and (b) a supernumerary post of Chief Engineer ("CE") (D1) in the South Development Office in the Civil Engineering and Development Department ("CEDD")</p> <p>[LC Paper No. CB(1)1066/17-18(02)]</p>	
010211-010537	Chairman Deputy Chairman Administration	<p>The Deputy Chairman said she had checked up past papers and noted that it was only since 2017 that the objectives of the WKCD project had been expanded to include the target of comprising "traditional and international elements". She suspected that the expanded objective was to dovetail with the development of the Hong Kong Palace Museum WKCD announced last year.</p> <p>The Deputy Chairman then enquired if the role of the CE post in CEDD had changed after the Administration had undertaken to fully fund the development of the integrated basement ("IB") for WKCD.</p> <p>The Administration responded that the CE post in CEDD had all along been providing professional advice and support to HAB. The CE post in CEDD had also been leading a dedicated team to continue driving implementation of the unprecedentedly complex IB project and government infrastructure works for WKCD.</p>	
010538-011103	Chairman Dr Helena WONG Administration	<p>Dr WONG enquired whether and how the concerned supernumerary directorate posts in HAB and/or CEDD would monitor the works of WKCD that were undertaken by WKCD, including conducting on-site inspections to check the works quality and progress, etc., and requested the Administration to provide written response on the relevant details after the meeting.</p> <p>The Administration responded that the Administration would monitor and facilitate the implementation of the WKCD project including formulation of overall development strategy for the public infrastructure works and co-ordinating among Government bureaux/departments to resolve any pertinent issues related to the implementation of the WKCD project. The Administration undertook to provide relevant written information after the meeting.</p>	Administration to take follow-up action as per paragraph 7(a) of the minutes

<b>Time marker</b>	<b>Speaker(s)</b>	<b>Subject(s)/Discussion</b>	<b>Action required</b>
011104-011414	Chairman Mr YIU Si-wing Administration	<p>Mr YIU asked whether the Administration had given any advice to WKCDA to improve the WKCD project arrangement (e.g. on the lowering of the project cost), and whether the advice was accepted by the WKCDA Board.</p> <p>The Administration replied that HAB had been maintaining a close working relationship with WKCDA on implementing the WKCD project. Project Manager (HAB) had been sitting as a member of the Development Committee to offer comments/advice on the WKCD project. WKCDA had taken HAB's advice on various occasions. For example, technical and financial tender assessments should be processed independently and that value engineering exercise should be carried out to lower the estimated costs of works at the design stage so as to contain the costs within budget.</p>	
011415-011920	Chairman Mr Tony TSE Administration	<p>Mr TSE supported in principle the staffing proposal. He enquired about the work focuses of the concerned supernumerary directorate posts in HAB and CEDD in the coming years in relation to the implementation of the WKCD project, such as overseeing the progress and financial arrangements, and requested the Administration to provide a written response on the details after the meeting.</p> <p>The Administration responded that its work on monitoring and facilitating the development of the WKCD project focused on multiple aspects. In addition to the Project Manager (HAB)'s focus on works progress and financial management, Principal Assistant Secretary (WKCD) would attend meetings of various committees of WKCDA such as the Executive Committee, Remuneration Committee and Performing Arts Committee to monitor its performance in implementing different facets of the WKCD project. The Administration undertook to provide relevant written information after the meeting.</p>	Administration to take follow-up action as per paragraph 7(b) of the minutes
<b>Agenda Item IV – The Art, Commerce and Exhibitions Development Package (formerly known as the Exhibition Hub Development Area) and Artist Hostel/Residence of the West Kowloon Cultural District</b>			
011921-012904	Chairman Administration WKCDA	Briefing by the Administration and powerpoint presentation by WKCDA [LC Paper Nos. CB(1)1066/17-18(04) and CB(1)1107/17-18(02)]	

<b>Time marker</b>	<b>Speaker(s)</b>	<b>Subject(s)/Discussion</b>	<b>Action required</b>
012905-013325	Chairman Dr Helena WONG WKCDA	<p>Dr WONG asked about:</p> <p>(a) details of the development of the Art, Commence and Exhibition ("ACE") package in WKCD under the Build-Operate-Transfer ("BOT") arrangement, including whether the Administration, WKCDA or private sector partners would be responsible for the design, the construction period and costs, the BOT period and the income sharing ratio between WKCDA and the private sector partners; and</p> <p>(b) whether the Artist Hostel/Residence would be part of the hotel under the ACE development package or developed as separate premises.</p> <p>WKCDA advised that:</p> <p>(a) the private sector partners to be selected through an open and competitive tendering process would be responsible for the design, construction and operation of facilities under the ACE package according to the technical requirements and specifications set out in the tender documents by WKCDA with reference to the findings of the engineering feasibility studies it had conducted. It was estimated that the tender would be awarded in mid-2019 with the completion of ACE by 2024. Meanwhile, in light of feedback from the market engagement exercise, WKCDA was considering the appropriate length of the BOT period, which would be at least 30 years, and other BOT terms; and</p> <p>(b) the Artist Hostel/Residence was not part of the ACE development package, but one of the "Other Arts and Cultural Facilities" under the WKCD Development Plan to provide quality accommodation, workshops, creation and performing spaces to the invited artists for defined periods.</p>	
013326-013735	Chairman Mr YIU Si-wing WKCDA	<p>Mr YIU enquired about:</p> <p>(a) whether WKCDA had conducted a comprehensive planning for the convention facilities under the ACE development to avoid imbalance between the supply and demand for such facilities; and</p>	

Time marker	Speaker(s)	Subject(s)/Discussion	Action required
		<p>(b) whether the Artist Hostel/Residence would be operated by WKCDA on a non-profit-making basis, or tendered out for operation by a private operator on a commercial basis; and how WKCDA would exercise control over the setting of the room rates if in the latter case.</p> <p>WKCDA replied that:</p> <p>(a) the Exhibition Centre would be an integral part of the ACE development package. WKCDA's review on local and overseas experiences showed that a hotel would complement the Exhibition Centre by helping attract more functions and events, and such integrated development approach would also allow private sector partners to capture positive externalities generated by the Exhibition Centre and enhance the site development mix;</p> <p>(b) WKCDA was considering the case for developing the Artist Hostel/Residence under a public-private partnership ("PPP") approach, under which the private sector partners to be selected through BOT tendering would bear the construction cost and would be responsible for the financing, operation and maintenance of the facilities. Initially, WKCDA intended not to set a quota of rooms reserved for artists at discounted rates, but would allow flexibility depending on the events being held at WKCD and the arts troupes brought in therewith.</p> <p>Mr YIU suggested that, to ensure financial viability of the Artist Hostel/Residence, WKCDA should consider developing it as a privately-run hotel with part of its surplus in revenue allocated to a designated fund for providing subsidies to eligible artists/arts troupes on the room rental. WKCDA indicated that it was open to and would consider any suggestions, including that made by Mr YIU.</p>	
013736-014253	Chairman Deputy Chairman WKCDA	<p>The Deputy Chairman asked about:</p> <p>(a) the provision of ferry connections to WKCD, such as one connecting the exhibition facilities at WKCD and the Hong Kong Convention and Exhibition Centre;</p>	

<b>Time marker</b>	<b>Speaker(s)</b>	<b>Subject(s)/Discussion</b>	<b>Action required</b>
		<p>(b) whether the Artist Hostel/Residence site was zoned as a hotel site or a place of recreation, sports or culture under OZP, and whether WKCDA intended to make use of the revenue generated from the retail, dining and entertainment ("RDE") facilities, which occupied over 20% of the gross floor area ("GFA") of the Artist Hostel/Residence, to support the operation of the Artist Hostel/Residence;</p> <p>(c) the discounted room rates/terms of the Artist Hostel/Residence for artists; and</p> <p>(d) given the increasing role of WKCDA in respect of tendering and works project management, whether WKCDA would strengthen its manpower with expertise in relevant aspects.</p> <p>WKCDA responded that:</p> <p>(a) the provision of ferry connections to WKCD was under planning;</p> <p>(b) the Artist Hostel/Residence was among the "Other Arts and Cultural Facilities" under the WKCD Development Plan. The GFAs of the Artist Hostel/Residence and the embedded RDE facilities were planned according to the WKCD Development Plan;</p> <p>(c) WKCDA was formulating the BOT tender for the Artist Hostel/Residence which would set out the discounted rates/terms to be made available to artists; and</p> <p>(d) WKCDA reviewed its manpower requirement every year to ensure that its staffing strength and mix could meet its operational needs at different stage. Moreover, external advisors were engaged to help conduct specific tasks including tender and financial assessments. With the gradual commissioning of WKCD facilities in view, it was also expected that the overall manpower strength of WKCDA would expand.</p>	
014254-014803	Chairman Mr Tony TSE WKCDA	<p>Mr TSE enquired about:</p> <p>(a) whether under the Enhanced Financial Arrangement ("EFA") for the WKCD project,</p>	

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		<p>the Administration would grant the development rights of the entire hotel/office/residential ("HOR") GFA of 366 620 m<sup>2</sup> or only the GFA of 81 066 m<sup>2</sup> of hotel and office sites among this HOR GFA (i.e. the area being taken forward as part of the ACE development package) to WKCDA at nominal premium without upfront payment;</p> <p>(b) the respective GFA breakdowns of the ACE portion by land use; and</p> <p>(c) the criteria (e.g. the bidding price, creativity of the design) and their relative weightings based on which WKCDA would select the successful tenderer for the ACE development package.</p> <p>WKCDA advised that:</p> <p>(a) only the hotel and office sites being taken forward as part of the ACE development package (involving 81 066 m<sup>2</sup>) within the HOR GFA would be granted to WKCDA at nominal premium without upfront payment;</p> <p>(b) it would only set out the land use breakdown of the ACE site in broad terms so as to provide the developer with flexibility in deciding the most appropriate mix of different land uses;</p> <p>(c) market engagement events targeted at potential market participants were being conducted to gather their feedbacks on the ACE project, thereby facilitating WKCDA to work out the terms and conditions of the BOT tender; and</p> <p>(d) tenders received for the ACE development package would be assessed based on both technical and financial aspects by using a marking scheme. Assessment on the technical aspect, including both compulsory and optional requirements, would focus on the expertise and competence of the tenderers in operating the hotel, rental offices and exhibition facilities.</p>	
014804-015226	Chairman Mr Holden CHOW WKCDA	<p>Mr CHOW asked about:</p> <p>(a) whether WKCDA would specify the maximum number/percentage of rooms at the Artist Hostel/Residence to be reserved for artists; and</p>	

<b>Time marker</b>	<b>Speaker(s)</b>	<b>Subject(s)/Discussion</b>	<b>Action required</b>
		<p>(b) the longest period that an artist would be allowed to stay at the Artist Hostel/Residence at the discounted rates.</p> <p>WKCDA replied that:</p> <p>(a) there were different models of providing subsidies/discounted room rates for artists to stay in the Artist Hostel/Residence. WKCDA would work out which model was most suited for the project;</p> <p>(b) under a PPP approach, WKCDA was expected to retain a more direct involvement in the provision of the Artist Hostel/Residence than normal BOT arrangements, including specifying the facilities (e.g. creation and performing spaces) required to be provided therein for artists. As regards the use of the rooms, WKCDA intended to allow more flexibility to the private sector partners; and</p> <p>(c) bringing artists and regular patrons together under the same accommodation could provide a unique opportunity for artists and arts lovers to meet and interact, and this was common and popular overseas.</p>	
015227-015845	Chairman Mr CHAN Chi-chuen Administration WKCDA	<p>Mr CHAN enquired about:</p> <p>(a) in the tender assessment and selection for the ACE development package, how WKCDA would select between a tender submission with better hotel design and another one with better exhibition facilities design;</p> <p>(b) whether a pre-tender estimate had already been undertaken by an independent valuation for WKCDA to determine whether the income sharing offered by tenderers for the ACE development package was unreasonably low and hence justified for tender cancellation; as well as the chance of unsuccessful tendering;</p> <p>(c) how WKCDA would ensure that the service quality of the Artist Hostel/Residence would not be compromised due to cost considerations; and</p>	

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		<p>(d) the future role of the Administration in monitoring the development of ACE in WKCD after granting out the development rights.</p> <p>WKCDA responded that:</p> <p>(a) WKCDA would adopt a two-staged approach with prequalification to assess the level of interest, competence, expertise and experience of tenderers for the ACE development package. Given the distinctive expertise and competence required for ACE, WKCDA anticipated it was likely that potential participants might form a consortium to bid for the tender;</p> <p>(b) given the positive market response on the ACE development received from potential market participants so far during market engagement, it was expected that the chance of unsuccessful tendering was slim. Instead of accepting the lowest bid, WKCDA would retain the right to cancel the tender if the income to be shared with WKCDA offered by tenderers was unreasonably low; and</p> <p>(c) while the private sector partners would be allowed to operate the facilities commercially, WKCDA would ensure that the private sector partners were operating and maintaining the facilities properly during the BOT period as upon the expiry of which the facilities would eventually be reverted to WKCDA.</p> <p>On the enquiry about the Administration role, the Administration advised that HAB would monitor WKCDA's implementation of the WKCD project, including the development of the ACE package under BOT arrangements as public officer member of the WKCDA Board. Furthermore, the Government would retain in the Project Agreement under EFA the right to share the income generated from the ACE development upon expiry of the BOT period having regard to the funding requirements and financial position of WKCDA.</p>	
015846-020439	Chairman Deputy Chairman WKCDA	<p>The Deputy Chairman asked about:</p> <p>(a) given that the Artist Hostel/Residence was an arts and cultural facility, why it was developed under a BOT arrangement instead of by</p>	

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		<p>WKCDA making use of the upfront endowment, and whether the mix of the RDE facilities was appropriate;</p> <p>(b) any upfront payment required for ACE;</p> <p>(c) apart from providing accommodation for artists and RDE facilities, whether there were other uses of the Artist Hostel/Residence; and</p> <p>(d) whether WKCDA would, instead of relying on external advisors, recruit in-house staff with relevant expertise to carry out the tender assessment and related financial analysis tasks.</p> <p>WKCDA advised that:</p> <p>(a) in view of the financial constraints faced by WKCDA and the lack of expertise to operate facilities like hotel and hostel, it would be more appropriate to take forward the development of the ACE package and the Artist Hostel/Residence under BOT/PPP arrangement so as to tap the financial resources and expertise of the private sector;</p> <p>(b) embedding RDE facilities would bring vibrancy to the area;</p> <p>(c) the area being taken forward as the ACE development package would be granted to WKCDA at nominal premium without upfront payment; and</p> <p>(d) the finance department and legal department of WKCDA would, among others, provide advice on tenders and contracts. Completed assessments of tender would be reported to relevant committees of WKCDA under its reporting system, and committees' advice would then be provided to the Board regarding the award of tenders. Subject to available resources, WKCDA would strengthen its staffing as and when necessary.</p>	
<b>Agenda Item V – Any other business</b>			
020440-020536	Chairman	Extension of the work period of the Joint Subcommittee in the 2018-2019 session	

Council Business Division 1  
Legislative Council Secretariat  
10 December 2018