

**For discussion on
15 July 2011**

Legislative Council Panel on Development

**Progress Report on Heritage Conservation Initiatives and
Revitalisation of the Old Tai Po Police Station,
the Blue House Cluster and the Stone Houses under the Revitalising
Historic Buildings Through Partnership Scheme**

PURPOSE

This paper updates Members on the progress made on the heritage conservation initiatives under Development Bureau's purview since our last progress report in November 2010 (Legislative Council (LegCo) Paper No. CB(1)467/10-11(04)), and invites Members' views on our future work. It also seeks Members' support for the funding application for revitalising the Old Tai Po Police Station, the Blue House Cluster and the Stone Houses under the Revitalising Historic Buildings Through Partnership Scheme (Revitalisation Scheme).

PROGRESS MADE ON HERITAGE CONSERVATION INITIATIVES

Public Domain

Revitalisation Scheme

Batch I

2. For the six projects under Batch I of the Revitalisation Scheme, the latest position is as follows –

- (a) **Former North Kowloon Magistracy** – The site has been revitalised and adaptively re-used as the Savannah College of Art and Design (SCAD) Hong Kong Campus for the provision of non-local higher education courses in the fields of art and design. Commencing operation in September 2010, SCAD Hong Kong is the first completed project under the Revitalisation Scheme. For the Fall 2010 term, 141 students were enrolled, of which about 40% are local students. In April 2011, SCAD Hong Kong obtained accreditation from the Hong Kong Council for Accreditation of Academic and Vocational Qualifications for five years for 14 programmes it offers at the Hong Kong campus.

This means that these accredited programmes are recognised under the Qualifications Framework in Hong Kong. In addition, students enrolled for these accredited programmes may apply for assistance under the Financial Assistance Scheme for Post-secondary Students and the Non-means-tested Loan Scheme for Post-secondary Students¹. According to SCAD Hong Kong, it has also provided scholarships of a total value of about \$9.3 million to students enrolled for courses provided at the new campus in the 2010-11 academic year. SCAD Hong Kong expects that student enrolment will continue to increase as it establishes itself in Hong Kong. By end 2010, over 1 300 visitors participated in the free public guided tours of the revitalised facility at SCAD Hong Kong, which are offered on Mondays to Saturdays by appointment. Development Bureau will continue to monitor the operation of SCAD Hong Kong to ensure that it meets the requirements stipulated in the Tenancy Agreement;

- (b) **Old Tai O Police Station** – Renovation works for revitalising the site into a boutique hotel commenced in March 2010, and will be completed in August 2011. The hotel is expected to start operation in December 2011;
- (c) **Fong Yuen Study Hall** – Renovation works for revitalising the site into a tourism and Chinese cultural centre-cum-Ma Wan residents’ museum commenced in late May 2011 for completion in March 2012. The revitalised facility is expected to start operation in May 2012. Despite the relatively small scale of this project, the pre-construction preparatory work has taken extra time due to various issues arising from site constraints and the process for obtaining necessary approvals;
- (d) **Mei Ho House** – The tender exercise for the main contract for revitalising the site into a youth hostel, comprising up to 129 guest rooms, a cafeteria and a museum of public housing for displaying the history of public housing development in Hong

¹ The Financial Assistance Scheme for Post-secondary Students provides means-tested financial assistance in the form of grant and/or loan to needy full-time students pursuing locally-accredited, self-financing post-secondary education programmes which will lead to a qualification at or above the levels of associate degree, higher diploma and/or professional diploma. The Non-means-tested Loan Scheme for Post-secondary Students provides financial assistance in the form of loan(s) to eligible students covered under the Financial Assistance Scheme for Post-secondary Students to meet their tuition fees, academic expenses and basic living expenses.

Kong, is underway. Renovation works are expected to be completed in September 2012 and the revitalised facility is expected to start operation in December 2012;

- (e) **Former Lai Chi Kok Hospital** – This cluster of historic buildings, which has been named Jao Tsung-I Academy in honour of Professor Jao Tsung-I, will be revitalised into a centre for promoting Chinese culture. Renovation works have commenced and are scheduled for phased completion in December 2011 and October 2012 respectively; and
- (f) **Lui Seng Chun** – Renovation works for revitalising the building into a Chinese medicine and healthcare centre have commenced and are expected to complete in January 2012. Operation is expected to start in April 2012.

Batch II

3. For the three projects under Batch II, the latest position is as follows –

- (a) **Old Tai Po Police Station** – The Kadoorie Farm and Botanic Garden Corporation was selected to revitalise the site into a Green Hub for sustainable living. Educational programmes and training camps will be provided under the project to develop, teach and promote affordable strategies for ecologically responsible and low carbon living. Funding has been approved by the Financial Services and the Treasury Bureau (FSTB) under delegated authority for the pre-contract works. The Tai Po District Council (DC) was consulted on 4 January 2011 and indicated its support for the project. Subject to funding approval by the Finance Committee (FC) of LegCo, revitalisation works are expected to commence in May 2012 for completion in September 2013;
- (b) **Blue House Cluster in Wan Chai** – St. James' Settlement, supported by Community Cultural Concern and Heritage Hong Kong Foundation as co-applicants, was selected to revitalise the site into a multi-functional complex providing residential accommodation and various kinds of services to the local community. Funding has been approved by FSTB under delegated authority for the pre-contract works. The Wan Chai DC was consulted on 16 November 2010 and indicated its support for the project. Subject to funding approval by the FC of LegCo,

revitalisation works are expected to commence in April 2012 for completion in March 2014; and

- (c) **Stone Houses in Kowloon City** – Wing Kwong So-Care Company Limited was selected to revitalise the site into a themed cafeteria-cum-visitor information centre. Funding has been approved by FSTB under delegated authority for the pre-contract works. The Kowloon City DC was consulted on 21 January 2011 and indicated its support for the project. Subject to funding approval by the FC of LegCo, revitalisation works are expected to commence in March 2012 for completion in September 2013.

----- Details of the three selected projects are set out at Annex A. Members' support is sought before we seek funding approval from the Public Works Subcommittee (PWSC) and the FC of LegCo in the fourth quarter of 2011 to the first quarter of 2012.

Batch III

4. Development Bureau will invite proposals for the conservation and adaptive re-use of specified historic buildings by non-profit making organisations in the form of social enterprises under Batch III of the Revitalisation Scheme shortly. We plan to include the Former Fanling Magistracy, King Yin Lei and the Bridge Street Market in Batch III. A short description of these three historic buildings is at Annex B. Details of the invitation for proposals exercise will be announced shortly.

Declaration of Monuments

5. The Government-owned fortified structure at No. 55 Ha Pak Nai in Yuen Long (photos are at Annex C) was declared as a monument² under the Antiquities and Monuments Ordinance (Cap. 53) on 24 June 2011. The fortified structure, built around 1910, is the only remaining building in Hong Kong with solid evidence of having direct connection with the revolutionary movement under the leadership of Dr. SUN Yat-sen and his compatriots. The movement led to the rise of modern China and marked a turning point in Chinese history. As a testimony to Hong Kong's role in the revolutionary movement, the fortified structure has exceptional historical significance. This latest addition will bring the total number of declared monuments in Hong Kong

² Details of the monument declaration are set out in the LegCo Brief entitled "Antiquities and Monuments Ordinance (Cap. 53) - Antiquities and Monuments (Declaration of Historical Building) Notice 2011" issued on 22 June 2011.

to 99. To commemorate the centenary of the 1911 Revolution and to enhance public appreciation of the site, we will provide display facilities on site in the second half of 2011.

6. At its meeting held on 15 June 2011, the Antiquities Advisory Board (AAB) expressed support for the Administration's proposal to declare King's College and the School House of St. Stephen's College as monuments under the Antiquities and Monuments Ordinance. We will seek the Chief Executive's approval of the declaration shortly.

Grading Exercise for Historic Buildings

7. Up to 15 June 2011, AAB has completed the assessment of the grading of 1 159³ historic buildings taking account of the recommendations of the expert panel and the views received from the owners and members of the public. The confirmed grading of these 1 159 historic buildings are set out below -

- (a) 155 buildings with Grade one status;
- (b) 304 buildings with Grade two status;
- (c) 418 buildings with Grade three status; and
- (d) 282 buildings with no grading.

8. Following the agreed step-by-step approach, AAB will continue to take forward the grading exercise, focusing first on finalising the grading of the remaining items in the list of 1 444 historic buildings before examining new items/categories proposed by the public for consideration of grading⁴.

Private Domain

9. We have been proactively reaching out to private owners, offering them a range of assistance (including technical advice and financial assistance for the maintenance of historic buildings as well as the offer of economic incentives for preservation-cum-development projects) to encourage and facilitate the preservation of historic buildings under their ownership. In particular, we have been approaching private owners of historic buildings to

³ This figure includes items on the list of 1 444 historic buildings in the territory for which a public consultation exercise on their proposed grading was carried out from March to September 2009 as well as new items proposed for grading.

⁴ AAB will flexibly advance its discussion on the grading of the new items if there is cogent need for an early assessment.

explore conservation options on receipt of alerts from relevant departments under the internal monitoring mechanism⁵ that plans are afoot for the demolition or redevelopment of any privately-owned monuments or graded buildings.

Ho Tung Gardens

10. In view of its high historic and architectural value, Ho Tung Gardens at 75 Peak Road was accorded with a Grade one status by AAB on 25 January 2011. Under the internal monitoring system mentioned in paragraph 9 above, it has been brought to our attention that the owner of Ho Tung Gardens has plans to demolish and redevelop Ho Tung Gardens and has made relevant submissions⁶ to BD for approval. After consultation with AAB, the Secretary for Development, in her capacity as the Antiquities Authority under the Antiquities and Monuments Ordinance, declared Ho Tung Gardens as a proposed monument under section 2A(1) of the Ordinance on 28 January 2011. The declaration, effective for 12 months, gives the site timely statutory protection, which includes prohibition of any building or other works within the boundary of the proposed monument, and any actions to demolish, remove, obstruct, deface or interfere with the proposed monument unless a permit is granted by the Antiquities Authority⁷. We have been discussing preservation options with the owner in earnest, taking account of the heritage conservation objective while respecting private property rights.

Financial Assistance for Maintenance Scheme

11. Since the Financial Assistance for Maintenance Scheme was introduced in August 2008 to provide financial assistance to owners of privately-owned graded historic buildings for carrying out maintenance works, we have approved 12 applications as at end June 2011, involving a total grant of \$10.4 million. The current status of the maintenance works of these approved

⁵ Under the internal monitoring mechanism, the Buildings Department (BD), Lands Department and Planning Department will alert the Commissioner for Heritage's Office (CHO) of the Development Bureau and the Antiquities and Monuments Office (AMO) regarding any identified possible threat which may affect privately-owned sites of archaeological interests, monuments and historic buildings that have been brought to departments' attention through applications and enquiries received and in the normal course of duty such as regular inspections. District Offices also assist in informing the CHO and the AMO if their staff notice any demolition of/alterations to monuments/proposed monuments or graded buildings/buildings proposed to be graded in their normal course of duty. The mechanism enables the CHO and the AMO to take timely follow-up action with the private owners concerned.

⁶ The owner of Ho Tung Gardens submitted to BD a demolition plan for Ho Tung Gardens and a building plan to construct 11 houses on the site.

⁷ Details are set out in the LegCo Brief issued on 28 January 2011 entitled "Declaration of Ho Tung Gardens at 75 Peak Road as a Proposed Monument under the Antiquities and Monuments Ordinance".

----- applications and a list of 12 new applications under processing are set out at Annex D.

MAJOR PROJECTS

Conserving Central

12. In his 2009-10 Policy Address, the Chief Executive announced the “Conserving Central” initiative, which comprises eight innovative projects to preserve many of the important cultural, historical and architectural features in Central while adding new life and vibrancy to the area.

Hong Kong Sheng Kung Hui (HKSKH)’s Central Compound

13. Under the preservation-cum-development proposal for HKSKH’s Compound on Lower Albert Road (Central site), HKSKH will preserve all four historic buildings⁸ at its Central site and construct two new buildings of 18 and 11 storeys respectively⁹ (height not exceeding 108 metres above the Hong Kong Principal Datum (mPD) and 103 mPD respectively) to allow the following categories of uses, namely a church and religious purposes with ancillary accommodation, a kindergarten, medical facilities, social welfare facilities, and environmental protection facilities. In order to allow sufficient space for the provision of enhanced community services while reducing the overall development density at the Central site, HKSKH will relocate some of the existing uses and additional space requirements originally to be provided by the redevelopment at the Central site to its other site at Clementi Road, Mount Butler (Mount Butler site). A new building comprising two blocks, each of 12 storeys (height not exceeding 220 mPD), will be constructed at the Mount Butler site to allow the following categories of uses, namely a complex for theological and other education-related uses together with ancillary religious facilities; an ancillary hostel for students, teaching staff and visitors associated with the complex; and a kindergarten. HKSKH is conducting a traffic impact assessment for both the Central site and the Mount Butler site, and adopt

⁸ There are four historic buildings within the Central site, namely, the Bishop’s House (Grade one), St. Paul’s Church (Grade one), the Church Guest House (also known as Martin House; Grade one) and the Old Sheng Kung Hui Kei Yan Primary School (originally the south wing of St. Paul’s College; Grade two).

⁹ The design of the two new buildings at the Central site under the preservation-cum-development proposal has undergone changes in view of the site constraints, including the need to preserve the four historic buildings and the existing trees as far as possible. In LegCo Paper No. CB(1)/666/09-10/05, we reported that HKSKH planned to construct two new buildings of 13 and 11 storeys respectively. In the final design, the two buildings will have 18 and 11 storeys respectively mainly due to the elimination of the basement design for better protection of the historic buildings and the setting back of one of the new buildings to facilitate public appreciation of the neighbouring historic buildings.

appropriate mitigation / improvement measures¹⁰.

14. The preservation-cum-development project, which will be funded entirely by HKSKH, requires changes to the specified land uses in the land leases for the Central site and the Mount Butler site. On 7 June 2011, the Chief Executive-in-Council approved the land lease modification for HKSKH's Central site and the in-situ land exchange for its Mount Butler site at nominal premium as an economic incentive to facilitate the preservation of all four historic buildings at the Central site¹¹. The charging of nominal premium is considered justified having regard to the considerable efforts made by the HKSKH to preserve all four historic buildings at its own cost, the non-profit-making nature of the project as well as the considerable benefits brought to the community through enhanced provision of community services and enhanced public access to HKSKH's Central site. Subject to the completion of the lease modification and the in-situ land exchange procedures, the HKSKH plans to commence construction works by the end of 2011 for completion in 2015.

Central Police Station (CPS) Compound

15. Government is taking forward the revitalisation of the CPS Compound, which comprises three groups of monument buildings, namely the CPS, the former Central Magistracy and the Victoria Prison, in partnership with the Hong Kong Jockey Club (HKJC). HKJC will fund the capital cost of revitalising the Compound into a centre for heritage, art and leisure, as well as any operating deficit until the project is financially self-sustainable. The CPS Compound will continue to remain in Government ownership and HKJC will sign a tenancy agreement with Government for the operation of the revitalised facilities.

16. HKJC will preserve all 15 historic buildings and the F Hall in the Compound and construct two new buildings of a modest scale, namely the Old Bailey Wing to house gallery space and the Arbuthnot Wing to house a multi-purpose venue as well as central plant. The revised schematic design for the revitalisation of the CPS Compound was announced on 11 October 2010¹².

¹⁰ For example, the preservation-cum-development project will improve traffic condition by providing loading / unloading areas and minibus lay-bys within both the Central site and the Mount Butler site (whereas at present, visitors have to be dropped off along Glenealy or Lower Albert Road for accessing the Central site, or along Clementi Road for accessing the Mount Butler site). HKSKH will also encourage all students of the kindergarten at the Mount Butler site to take school bus.

¹¹ Details are set out in the LegCo Brief entitled "Preservation-cum-development of the Hong Kong Sheng Kung Hui Compound in Central" issued on 15 June 2011.

¹² Details are set out in the LegCo Brief entitled "Conservation and Revitalisation of the Central Police Station Compound – The Hong Kong Jockey Club's Revised Design" issued on 11 October 2010.

The Central and Western DC was consulted on the revised schematic design for the revitalisation of the CPS Compound on 6 January 2011 and indicated its support.

17. Following the submission of an Environmental Impact Assessment (EIA) report under the Environmental Impact Assessment Ordinance (Cap. 499), HKJC obtained an Environmental Permit for the project in April 2011. The Town Planning Board also approved the planning application submitted under section 16 of the Town Planning Ordinance (Cap. 131) in May 2011. HKJC aims to commence construction works in late 2011 for completion in end 2014.

Former Police Married Quarters on Hollywood Road

18. The Musketeers Education and Culture Charitable Foundation Limited (the Musketeers Foundation), supported by the Hong Kong Polytechnic University, the Hong Kong Design Centre and the Hong Kong Design Institute of the Vocational Training Council, has been selected to conserve and transform the Former Police Married Quarters on Hollywood Road into a creative industries landmark called “PMQ”¹³. Detailed design has been completed. The Central and Western DC was consulted on the “PMQ” project in March 2011 and indicated its support. On 22 March 2011, the Architectural Services Department consulted AAB on the HIA Report for the revitalisation project and received its support. On 15 April 2011, the Metro Planning Committee of the Town Planning Board approved the planning application submitted under section 16 of the Town Planning Ordinance.

19. The total capital cost of the project is estimated at about \$577.1 million in money-of-the-day (MOD) prices. The Musketeers Foundation will fund part of the works (mainly architectural improvements to the Government’s base case) at a total cost of \$17 million (in MOD prices). Further to the support received from this Panel at its meeting held on 20 April 2011, we obtained endorsement of the PWSC of LegCo on 15 June 2011 for the funding application for this revitalisation project at an estimated cost of \$560.1 million (in MOD prices), to be submitted to FC of LegCo on 8 July 2011. Subject to funding approval, conservation and revitalisation works will commence in early 2012 for completion by end 2013, and the revitalised facilities will be commissioned in mid-2014.

20. The implementation progress of the remaining five projects is set out at Annex E.

¹³ Details of the project are set out in LegCo Paper No. CB(1)1909/10-11(04) entitled “400IO — Transformation of the Former Police Married Quarters on Hollywood Road into a Creative Industries Landmark” issued on 20 April 2011.

Haw Par Mansion (HPM)

21. To diversify our approach to heritage conservation and in recognition of the commercial potential of HPM, a Grade one historic building, we invited bids through open tender based on a two-envelope approach for the revitalisation and adaptive re-use of HPM on a commercial basis. Upon the end of the tender period on 28 April 2011, we received one tender, which however did not conform with the mandatory requirements stated in the tender invitation. We therefore cancelled the tender exercise in accordance with the established practice.

22. The above notwithstanding, in view of the uniqueness of this project, we see merit in making another attempt to test market interest. Accordingly, a re-tender exercise was launched on 27 May 2011 and will be closed on 29 August 2011. We will engage the Advisory Committee on Revitalisation of Historic Buildings to advise the tender assessment panel on the relative merits of the technical proposals received, and expect to complete the tender selection process by mid-2012.

King Yin Lei (KYL)

23. The restoration works for KYL were completed in December 2010, under the guidance of a well-regarded expert in Chinese architecture, Professor Tang Guohua of the School of Architecture and Urban Planning of Guangzhou University. We will invite proposals for the conservation and revitalisation of KYL under Batch III of the Revitalisation Scheme to be launched shortly.

24. In April and May 2011, CHO organised open days for the public and stakeholders (including LegCo Members, DC members, members of relevant professional and academic institutions as well as nearby residents) to appreciate KYL after restoration. The event was very well-received, with about 27 800 visitors in total. About 13 300 comment cards on the future adaptive re-use of KYL were received¹⁴. Further public engagement activities (including consultation with Wan Chai DC on 17 May 2011 and a public forum on 26 May 2011) were conducted to collect public views on the future use of KYL. The Wan Chai DC supported the inclusion of KYL in the Revitalisation Scheme, but raised concern that the project might attract additional traffic flow along Stubbs Road. We will require applicants under the Revitalisation Scheme to

¹⁴ Based on the comment cards collected, views on the future adaptive re-use of KYL are summarised below –

- as “cultural facilities” (about 43%);
- as “exhibition or convention hall” (about 25%); and
- as “education institution” (about 23%).

conduct a preliminary traffic study to ensure that their proposed uses will not aggravate the existing traffic condition of the road network in the vicinity of KYL. The successful applicant will be further required to conduct a detailed Traffic Impact Assessment during project implementation.

Publicity and Public Education

25. In 2011, we have organised a series of publicity and public education activities targeting at different sectors of the community. These activities include -

- (a) a heritage tourism expo from December 2010 until July 2011 to showcase our rich built heritage. The exhibition is being staged at various locations¹⁵ throughout the territory and in Beijing (from 1 to 6 July 2011). The expo has attracted more than 103 000 visitors by end June 2011;
- (b) barrier-free guided heritage tours for the disabled organised from November 2010 to March 2011 (over 480 participants);
- (c) Tai Tam Waterworks heritage tours for schools and families from December 2010 to May 2011 (over 590 participants);
- (d) King Yin Lei Open Day organised in April and May 2011. Visitors totalled around 27 800;
- (e) talks and guided tours to commemorate the centenary of the 1911 Revolution and Teaching Kit Extension Tour targetting secondary school students will be organised in the second half of 2011 (with an expected patronage of 960 participants); and
- (f) an international Heritage Conservation Conference will be organised at Hong Kong Convention and Exhibition Centre from 12 to 13 December 2011. We expect to draw over 400 participants from around the world and locally. Development Bureau will also take the opportunity to showcase Hong Kong's accomplishments since the announcement of the new policy on heritage conservation in 2007.

¹⁵ The locations include the Hong Kong Heritage Discovery Centre (December 2010 – April 2011), the Hong Kong International Airport (March 2011), Shatin Town Hall (April 2011), Tuen Mun Town Hall (April – May 2011), Immigration Tower (May – June 2011), Revenue Tower (May – June 2011), Times Square (June 2011), Olympian City II (June 2011) and Cattle Depot (June to July 2011).

26. We continue to keep the public informed of developments on the heritage front and our heritage conservation work through -

- (a) our dedicated heritage website (www.heritage.gov.hk), which registered a total of 1 251 000 visits as at end June 2011 since its launch in January 2008; and
- (b) our bimonthly heritage newsletter, “活化@Heritage”, which is distributed both electronically and in printed form with a circulation of 13 000 copies per issue.

27. We estimate that our publicity and public education activities on heritage conservation in 2011 will attract over 130 000 participants.

ADVICE SOUGHT

28. Members are invited to note the latest position of various heritage conservation initiatives being pursued by Development Bureau and provide views and suggestions on our future work. Members are also invited to support the funding applications for the conservation and revitalisation of the Old Tai Po Police Station, the Blue House Cluster and the Stone Houses under the Revitalisation Scheme.

Development Bureau
July 2011