

## LEGISLATIVE COUNCIL BRIEF

### Preservation-cum-development of the Hong Kong Sheng Kung Hui Compound in Central

#### INTRODUCTION

At the meeting of the Executive Council on 7 June 2011, the Council ADVISED and the Chief Executive (CE) ORDERED that approval should be given for –

- A
- (a) the proposed modification of the lease for Hong Kong Sheng Kung Hui (HKSKH)<sup>1</sup>'s Compound at 1 Lower Albert Road Inland Lot No. 7360 (Central site), as illustrated on Plan No. HKM8711-X at Annex A, at nominal premium 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, subject to the basic terms and conditions as set out in Annex B; and

- B
- C
- (b) the proposed in-situ land exchange involving the surrender of HKSKH's Mount Butler site Inland Lot No. 7883 and the regrant of the lot to be known as Inland Lot No. 9035, as illustrated on Plan No. HKM8797-X at Annex C, at nominal premium 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, subject to the basic terms and conditions as set out in Annex D.
- D

---

<sup>1</sup> HKSKH is a charitable body exempt from tax under section 88 of the Inland Revenue Ordinance (Cap. 112). Its profits are applied solely for charitable purposes.

## JUSTIFICATIONS

### Heritage value of HKSKH's Central site

2. HKSKH's Central site, built to a total gross floor area (GFA) of 15 115 square metres (m<sup>2</sup>), currently accommodates two kindergartens, the Central Hospital as well as space for church and welfare services, theological education and ancillary lodging facilities. The site, dating back to 1848 as the residence and office of the Bishop of Victoria (Anglican Church), is surrounded by the Government House (a declared monument), the building where the Fringe Club and the Foreign Correspondent's Club are located (formerly Old Dairy Farm Depot; Grade one<sup>2</sup>) and the Hong Kong Zoological and Botanical Gardens, which are all sites of historical significance. There are four historic buildings within the 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 (SKH) Kei Yan Primary School (originally the south wing of St. Paul's College; Grade two). As Grade one historic buildings, the Bishop's House, St. Paul's Church and the Church Guest House are buildings of outstanding merit, which every effort should be made to preserve if possible. As a Grade two historic building, the Old SKH Kei Yan Primary School is a building of specific merit and efforts should be made to selectively preserve it. However, in the absence of any statutory protection mechanism, it would be up to HKSKH as the owner to consider whether they would like to preserve the buildings. The photographs of the four historic buildings are at Annex E.

### Need for redevelopment

3. Over the years, HKSKH is suffering from an acute shortage of space at its Central site to meet the growing needs of the Church and its service provision. In recognition of their heritage significance, HKSKH has agreed to preserve all four historic buildings in its Central site. However, such preservation and the need to meet HKSKH's accommodation requirements on site would result in two new buildings

---

<sup>2</sup> The grading of historic buildings is an administrative mechanism to provide an objective basis for determining the heritage value and preservation need of individual historic buildings. Historic buildings meeting the stipulated thresholds are given a Grade one, Grade two or Grade three status by the Antiquities Advisory Board.

being constructed on a congested footprint (even with the demolition of non-historic buildings). The height and bulk of the new buildings would inevitably give rise to incompatibility with the historic buildings and cause some undesirable visual impact on the surrounding areas.

### **Need for economic incentives**

4. Under the heritage conservation policy endorsed by the Executive Council on 25 September 2007 and announced by the CE in his 2007-08 Policy Address, Government recognises the need for economic incentives in order to encourage and facilitate private owners to preserve historic buildings in their ownership. In implementing this policy, we aim to strike a proper balance between preservation of historic buildings and respect for private property rights. It is further noted that given the particular circumstances, the needed economic incentives to achieve the policy objective would be considered on a case-by-case basis. We have subsequently applied the policy on economic incentives to facilitate conservation of privately-owned historic buildings in the following three cases –

- (a) King Yin Lei (a declared monument) is preserved through a non-in-situ land exchange approved by the CE-in-Council on 2 December 2008;
- (b) Jessville (a Grade three building) is preserved under a preservation-cum-development proposal which was facilitated by the partial uplifting of the Pokfulam Moratorium approved by the CE-in-Council on 22 September 2009; and
- (c) The front portion of the shophouse at 179 Prince Edward Road West (a Grade three building) is preserved through a minor relaxation of the plot ratio approved by the Metro Planning Committee of the Town Planning Board on 19 March 2010.

As seen from these cases, the provision of economic incentives extends to administratively graded historic buildings, and the extent of incentives offered should be commensurate with the heritage value of the building.

## The project proposal

5. To reduce the overall development density at the Central site while preserving the four historic buildings, HKSKH has proposed a preservation-cum-development proposal on a non-profit-making basis after several rounds of discussion with Development Bureau. Under the proposal, HKSKH proposes to preserve all four historic buildings at its Central site, and construct two new buildings (namely, the Community Complex and the Lodge Building) of 18 and 11 storeys respectively (height not exceeding 108 m above the Hong Kong Principal Datum (mPD) and 103 mPD respectively; absolute building height of about 76 m and 50 m respectively) with a total GFA of not more than 36 000 m<sup>2</sup> to accommodate facilities including the following –

- (a) a church and religious purposes with ancillary accommodation;
- (b) a kindergarten;
- (c) medical facilities (such as a medical centre and health education and awareness centres);
- (d) social welfare facilities (such as a welfare council office and a counselling centre); and
- (e) environmental protection facilities (such as environmental education and awareness centres).

6. In addition, there will be a semi-covered open plaza of about 900 m<sup>2</sup> for public enjoyment. This plaza, together with the Christian art gallery proposed to be located on the ground floor of the Community Complex, will form an area accessible to the public. HKSKH will also provide a lay-by at the Lodge Building at its cost to help improve traffic condition along Glenealy. The proposed layout plan of the Central site and artistic impressions of the proposed development are at Annex F and Annex G respectively.

F

G

7. As a result of the proposed reduced development intensity at its Central site, HKSKH proposes to relocate some of the existing uses and additional space requirements originally to be provided by redevelopment at the Central site (about 11 000 m<sup>2</sup> of GFA) to its site at Clementi Road,

Mount Butler (the Mount Butler site), which currently houses only a kindergarten. A new building comprising two blocks each of 12 storeys (height not exceeding 220 mPD; absolute building height of about 42 m), with a total GFA of not more than 12 000 m<sup>2</sup>, will be constructed at the Mount Butler site. The facilities to be provided at this site include the following –

- (a) a complex for theological and other education-related uses together with ancillary religious facilities;
- (b) an ancillary hostel for students, teaching staff and visitors associated with the complex mentioned in (a) above; and
- (c) a kindergarten (i.e. the relocated SKH Kindergarten).

## H & I

The proposed layout plan of the Mount Butler site and artistic impressions of the proposed development are at Annex H and Annex I respectively.

### **The town planning aspect**

8. The Central site and the Mount Butler site are zoned “Government, Institution or Community” (“G/IC”) on the Draft Central District Outline Zoning Plan (OZP) and the Approved Jardine’s Lookout and Wong Nai Chung Gap OZP respectively. There are no plot ratio and building height restrictions for the two sites under the OZPs. The proposed developments at the two sites comply with the OZPs. Planning Department has no in-principle objection to the proposed developments.

### **The lease modification aspect**

9. To implement the preservation-cum-development proposal, HKSKH has requested approval for the following -

- (a) modification of the lease for the Central site<sup>3</sup> at nominal premium to allow the following categories of uses, namely a

---

<sup>3</sup> The lease for the Central site provides that any uses other than those specified for individual buildings in the lease and any alteration / addition / demolition / redevelopment of any building or buildings would be allowed subject to the prior written consent of the Governor (now the Chief Executive). The Chief Executive has delegated the authority to allow designated officers in the Lands Department (LandsD) to give such consent after consideration.

church and religious purposes with ancillary accommodation; a kindergarten; medical facilities; social welfare facilities; and environmental protection facilities; and

- (b) in-situ land exchange for the Mount Butler site<sup>4</sup> at nominal premium to allow 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. An in-situ land exchange, instead of just a lease modification, is required because the lot will slightly be expanded to include three strips of government land on the eastern and northern boundaries and as a result of the land exchange, HKSKH will be granted a lease term of 50 years (while the current lease of Mount Butler site will expire in 26 years).

10. The proposed uses at the Central site reflect HKSKH's aspiration for enhanced provision of community service, whereas the uses proposed for the Mount Butler site aim to accommodate certain existing uses and provide additional space originally planned for the Central site. HKSKH's preservation-cum-development proposal will only be able to proceed if such uses are allowed at the Mount Butler site.

11. From a heritage conservation perspective, we see merit in the proposed relocation of some existing and planned uses from HKSKH's Central site to its Mount Butler site under the preservation-cum-development proposal. The four historic buildings will be preserved without involving any cash compensation to the owner while the Church's service provision needs will be fully met without causing undue adverse visual impact on the neighbourhood. The community will benefit from the expanded range of social services available after completion of the redevelopment project as well as enhanced public access to the Central site. Since both sites belong to HKSKH for non-profit-making purposes and are zoned "G/IC", the proposal can be readily implemented.

---

<sup>4</sup> The lease for the Mount Butler site provides that the use of the site is a non-profit-making primary school. Implied agreement was given in 1976 by the Government to permit the operation of a kindergarten of seven classes. Any proposed new uses would require Government's prior approval.

12. We consider that the charging of nominal premium for the lease modification for the Central site and the in-situ land exchange for the Mount Butler site is justified having regard to the non-profit-making nature of the project, the considerable efforts made by HKSKH to preserve all four historic buildings at its own cost as well as the agreement of HKSKH to open up its Central site, which does not currently provide general public access.

B

D

13. The basic terms of the modified lease for the Central site and the conditions of exchange for the Mount Butler site are at Annex B and Annex D respectively. For the modified lease for the Central site, there will be additional conditions to preserve the four historic buildings and to offer a reasonable degree of public access to the site to enable the public to appreciate the four historic buildings.

14. Subject to the completion of the lease modification and the in-situ land exchange, HKSKH plans to commence the construction works by the end of 2011 for completion in 2015.

## **OTHER OPTIONS**

15. As mentioned in paragraph 11 above, HKSKH's preservation-cum-development proposal based on the relocation of some existing and planned uses for the Central site to the Mount Butler site in its ownership has considerable merits. It would not, however, be able to proceed unless nominal premium was charged. HKSKH has indicated that as it is already funding the full cost of the project (estimated at about \$1,100 million at April 2011 price level), it will not be able to bear any additional financial burden arising from the payment of land premium.

## **IMPLICATIONS OF THE PROPOSAL**

16. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It does not have any civil service, economic and productivity implications.

17. As for financial implications, the lease modification and in-situ land exchange on a nominal premium basis will not lead to additional

expenditure by the Government. The construction cost of this preservation-cum-development project will be fully borne by HKSKH. The charging of nominal premium for the lease modification for the Central site and the in-situ land exchange for the Mount Butler site is considered a necessary and reasonable economic incentive to facilitate the implementation of the preservation-cum-development project on a non-profit making basis.

18. The environmental implication of the project covering both the Central site and the Mount Butler site will be minimal. The project at the Central site will involve only minimal tree felling or disturbance to the natural greenery of the area. For the Mount Butler site, some tree felling will be involved and HKSKH will provide compensatory tree planting within the site. Approval of tree felling at both sites shall be subject to the submission of landscape master plan and compensatory replanting proposal to the satisfaction of LandsD.

19. All four historic buildings at the Central site will be preserved. This is in line with the sustainability principle of protecting Hong Kong's built heritage.

## **PUBLIC CONSULTATION**

20. HKSKH's preservation-cum-redevelopment project at its Central site is one of the eight projects under the Conserving Central initiative announced by the CE in his 2009-10 Policy Address. The Legislative Council Panel on Development, the Central and Western District Council (DC) and the Antiquities Advisory Board all supported the Conserving Central initiative when consulted subsequent to its announcement. HKSKH also conducted on-site briefings for Members of the Central and Western DC and the Wan Chai DC at the Central site and the Mount Butler site respectively on its proposed preservation-cum-development project in April 2011. Members of the two DCs expressed in-principle support to the preservation of the four historic buildings and asked to be briefed on the detailed design of the project when available. HKSKH plans to brief the Central and Western DC and the Wan Chai DC on the detailed project design in June 2011 and July 2011 respectively.

21. HKSKH has consulted the parents and teachers of the SKH Kindergarten on the proposed relocation of the kindergarten from the Central site to the Mount Butler site and has received general support. Education Bureau will keep in view the measures to be adopted by HKSKH to ensure smooth relocation and to minimise the disturbance to the parents and students during the transition.

## **PUBLICITY**

22. A press release will be issued on the approved modification of HKSKH's lease for its Central site and the approved in-situ land exchange for its Mount Butler site at nominal premium. A spokesperson will be available to answer media and public enquiries.

## **BACKGROUND**

### **Historical background of the Central site**

23. The Central site of HKSKH is an important religious landmark and a remarkable symbol of the development of the Anglican Church in Hong Kong. There are four historic buildings carrying important group and social values within the site boundary. The Bishop's House (Grade one), built in 1845-48, was the residence and office of the Bishop of Victoria (Anglican Church). It is currently the HKSKH Provincial Office. St Paul's Church (Grade one) was built in 1911 and still serves as a chapel for worship. The church building was once used as a training school for Japanese gendarmes during the Japanese Occupation in World War II. The Church Guest House (Grade one), built in 1919, is a hostel. Many well-known missionaries and the famous writer Han Suyin once resided there. The Old SKH Kei Yan Primary School (Grade two) was built in 1851 as the south wing of St Paul's College, an Anglo-Chinese school with a long history. Between 1953 and 1996, SKH Kei Yan Primary School used the building as a temporary campus. The HKSKH Ming Wah Theological College and the office of Echo, journal of HKSKH, are now housed in this building.

## **Conserving Central initiative**

24. HKSKH's preservation-cum-redevelopment project at its Central site is one of the eight projects under the Conserving Central initiative announced by the CE in his 2009-10 Policy Address. These innovative projects, which reflect the Chief Executive's concept of Progressive Development, build on Government's commitment on harbourfront enhancement and heritage conservation, and champion for more greening and connectivity. They will preserve many of our social, historical and architectural features in Central while adding new life and vibrancy to the area.

## **ENQUIRIES**

25. For any enquiries on this brief, please contact Mrs. Laura Aron, Commissioner for Heritage of the Development Bureau, at 2848 2104.

**Development Bureau**

**15 June 2011**