Research on Future Development
of Artist Village in Cattle Depot

Hong Kong Arts Development Council

July 2009
Executive Summary

Chapter 1  Objective of Study and Methodology
This study aims to make recommendations for the future development of an Artist Village in Cattle Depot by examining the current situation of the Cattle Depot, the experience of local and overseas artist villages as well as the pros and cons of continuing the current adaptive re-use of Cattle Depot as an Artist Village. This study is mainly a work of qualitative research. The research tools include direct and indirect observation, case study, in-depth interview, focus group and textual analysis.

Chapter 2  Operational Definitions
An “Artist Village” is a space for artistic creation; and that there are interactions or mutual support among its inhabitants, the artists.

Chapter 3  The Common Mode of an Artist Village
3.1 Features and Characteristics
Formation: It can basically be divided into two categories, i.e. organically formed and planned Artist Village. Organically formed Artist Village should have been founded by artists. Planned Artist Village can be initiated by government, non-governmental organization (NGO), education institution, philanthropist or a private enterprise. Sometimes, the purpose of establishing an artist village will be simply for the sake of providing space for art creation and development. In other cases, there may be larger goals, such as making use of an artist village to boost the development of creative industries, to revitalize a community etc.

Functions: Artist Villages with different purposes usually perform different functions. An artist village can function as art production unit (working studios), an art market (gallery) and a platform for exchange (be it at the commercial, educational or community levels). Engagement with the public is NOT a primary function of artist village.
Management: An Artist Village can be managed by commercial / private sector, NGO (e.g. Foundation) or government / public bodies. It should be pointed out that government support is a crucial element in the development of all types of planned artist village.

Adaptive reuse of Heritage Building: There is a growing trend for adaptive reuses of heritage building to develop under the context of cultural and heritage preservation. Turning unused or heritage buildings into artist villages are commonly practiced in various developed countries.

3.2 Artist Villages at a Glance
A total of 17 Artist Villages in Asia, Europe and North America are cited as examples which illustrate the various combinations of artist villages in terms of their formation, function, management and whether they represent adaptive reuse of heritage building.

3.3 Rationale for Selecting Illustrative Models for In-depth Study
Four illustrative models have been chosen from artist villages abroad for in-depth study on the basis of the following factors:
- goal or main feature of the artist village;
- initiator and management mode;
- financing mode;
- such models represent different countries;
- reference value to Hong Kong.

<table>
<thead>
<tr>
<th>Model</th>
<th>Main feature</th>
<th>Management</th>
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<tbody>
<tr>
<td>Kio-A-Thau Sugar Refinery Art Village, Taiwan</td>
<td>Community building</td>
<td>NGO</td>
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<tr>
<td>798 Art Zone, Beijing</td>
<td>A vibrant art market</td>
<td>Government</td>
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<tr>
<td>The Trinity Buoy Wharf, London</td>
<td>Revitalization of a district</td>
<td>Trustees + Private developer</td>
</tr>
<tr>
<td>ISCP, New York</td>
<td>A prestige platform for artist</td>
<td>NGO</td>
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3.4 In-depth Studies of the Illustrative Models of Artist Village:

I Kio-A-Thau Sugar Refinery Art Village and Kio-A-Thau Artist Residency, Taiwan
• The Kio-A-Thau Sugar Refinery Art Village in Kaohsiung County, Taiwan was established in 2001. It was the direct outcome of a series of government-initiated policy for the development of cultural and creative industry of Taiwan. The Art Village was housed in the former Kio-A-Thau Sugar Mill, which was structurally modified for the purpose;
• The core activity of the Kio-A-Thau Sugar Refinery Art Village is the Kio-A-Thau Artist Residency program. The program is funded by government (the Council for Cultural Affairs (CCA) of Taiwan, and organized by NGO (Kio-A-Thau Culture Society). From 2005, the residency program was taken up by the Taiwan Field Factory;
• Since both Kio-A-Thau Culture Society and Taiwan Field Factory are very familiar with local history, culture and the need of the community, the organizer has played a significant role in successfully bridging artists with the local community.

II Beijing 798 Art Zone
• The Bauhaus style building was formerly a state-owned electronic factory 798 built in the mid-1950s;
• Beijing 798 Art Zone was initiated by artists. From 1995, artists flocked into the 798 district and it gradually evolved into one of the local art communities;
• With more international art galleries and art organizations moving in, and a vibrant exhibition agenda, the Artist Village has been successfully attracting a large number of visitors, including both tourists and local residents. At the same time, it has stimulated cultural and economic activities in its vicinity. However, rapid rise in rental has forced some artists to move out of the Artist Village;
• The Beijing 798 Art Zone Construction and Administration Office (the 798 office) established in 2006 was responsible for boosting the development of contemporary art and creative industry in the art zone. The 798 Art Zone has developed from an Artist Village focusing on artistic creation into a space for art markets, tourism and leisure activities.
III  Trinity Buoy Wharf, London
• It is located on a site redeveloped from an abandoned shipyard;
• The owner of Trinity Buoy Wharf is the local authority (de-designation of the London Docklands Development Corporation) and the Trustee (‘Trinity Buoy Wharf Trustee’) was granted a 125-year no pay lease from the authority. The Trustee further leased the Trinity Buoy Wharf to a private developer (USM) with a 124 year lease. The USM is obliged to pay 25% of the development income (mainly rental income) to the Trustee as rental fee of the site.
• The Container City Project started in 2001 is a studio, office and exhibition complex made from recycled shipping containers.

IV  International Studio & Curatorial Program (ISCP), New York
• The ISCP is a non-profit arts organization in New York which operates residence programs for international artists and curators since 1994. Participating artists are sponsored for periods from two months to two years by governments, corporations, foundations, galleries and individuals.
• ISCP puts significant effort to connect its artists and curators to the local art community as well as art practitioners from all over the world. Over 500 artists and curators from 46 countries have taken part in the program.

Chapter 4  Artist Village in Hong Kong: its History, Mode and Observations
4.1  Artist Village: Starting from Working Studios (Fo Tan, Chai Wan, Kwun Tong)
A lot of factory units were vacant due to the economic downturn after 1997 and the shifting of industrial establishments to the Mainland. Consequently, low rental prices made factory units affordable to the artists. These industrial buildings are located in such areas as Fo Tan, Chai Wan and Kwun Tong. Tenants of the organic agglomerations stuck together to exchange ideas and even plan for some common activities.

4.2  Mixed-mode Artist Village: The First of its Kind (Oil Street)
The Oil Street Artist Village was the first community-driven mixed-mode Artist Village in Hong Kong. It was formerly the Government Supplies Office in Oil Street. The low rental rate, lofty space and convenient transportation network in the vicinity attracted artists to flock to the premises. In 1999, the
government announced the restoration of land auction and informed all the tenants to move out. The tenants started a series of campaign to fight for retaining the premises. Eventually, the Oil Street tenants were relocated to Cattle Depot in Mau Tau Kok.

4.3 The First Private-owned Artist Village (Fu Tak Building in Wan Chai)

Fu Tak Building was the first private-owned Artist Village in Hong Kong. A property owner decided to lease Fu Tak Building to artists and art groups at a very low rate. A local media artist and veteran in art administration was authorized to be the manager of the building. She stresses that flexibility and familiarity with arts are the most crucial factors for tenancy management.

4.4 NGO initiated and managed Artist Village (Jockey Club Creative Arts Centre in Shek Kip Mei)

JCCAC was the first NGO initiated (with the encouragement and support from government) Artist Village in Hong Kong. Although the mission of the Centre is clearly stated, the issue of whether the venue should be opened to the public has caused disputes among the tenants. As a result, the management office has to spend most of their time resolving the conflicts and managing complaints.

Chapter 5 Study of the Cattle Depot and Cattle Depot Artist Village

5.1 Heritage Significance of Cattle Depot

The Cattle Depot Artist Village (CDAV) is housed in the ex-Ma Tau Kok Animal Quarantine Depot, which was built in 1908. The Cattle Depot was accorded a Grade III status by the Antiquities Advisory Board in 1993. In 2000, the Architectural Services Department spent 23 million to renovate it. In 2001, the Oil Street Artist Village tenants were relocated to Cattle Depot.

5.2 Adaptive reuse of Cattle Depot as a relocation scheme of Oil Street Artist Village in 2001

Some of the former tenants of the Oil Street Artist Village moved into Cattle Depot in mid-2001. Although the government spent close to 23 million for the renovation work, the government did not have any long term plan regarding the future development of the site. It was quite clear that Cattle Depot as an Artist Village was a temporary measure for the government.
An Overview of Cattle Depot Artist Village

- There were 19 units, both individual artists, creative industries practitioners and art groups, moving into the Cattle Depot in mid-2001;
- The four arts organizations renting space in Cattle Depot are HKADC one-year grantees;
- The major annual events of the Artist Village were the Cattle Depot Arts Festival and the Cattle Depot Book Fair;
- Some administrative practices of the current management have much hindered the village’s further development. For example, the tenancy lease has been shortened from three years to three months, no new tenants are recruited after the spaces are returned by drop-out tenants, the estate management is stringent in the use of public areas etc. All these impede the development of arts groups and the Artist Village itself;
- There was an unbridgeable gap between the expectations of the organization tenants and individual tenants;
- The HKADC came up with an idea to develop the CDAV into a venue mainly serves for performing arts in 2006. In 2007, the HKADC began the consultation with the village’s tenants and provided incentives for them to move over to the JCCAC. However, the proposal was not well received;
- In 2008, some of the institutional members formally registered as Cattle Depot Arts Festival Association and applied for funding from HKADC to organize festival and promotional events;
- The G5, formed by a number of institutional tenants, submitted a proposal to the Development Bureau in March 2009. G5 argued that it was important to preserve the CDAV as an Artist Village since it has already been recognized as an alternative, contemporary art space in Hong Kong. It should be further developed into an iconic contemporary art hub which would bring energy to the district. G5 proposed that a non-profit making, limited by guarantee Foundation be established for the management of the CDAV.

Analysis of Cattle Depot as an Artist Village

The transportation network, the ageing neighbourhood and the stringent management practices are all issues relating to Cattle Depot that need to be tackled. The common way of measuring outcome and output against pre-determined goals and targets is not applicable to the proposed CDAV as no expectations has been conveyed to the tenants. We can only attempt to
examine its achievement and unrealized potential through an examination of the following perspectives:

5.4.1 Heritage Perspective
- The outstanding value of Cattle Depot from the heritage perspective is reflected adequately. However, the chief inadequacy lies on the lack of interpretation and presentation. There is no illustration or information on site which communicates the outstanding value and heritage significance to visitors.

5.4.2 Social Perspective
- The social response and media criticism towards the Cattle Depot Art Festivals and the Cattle Depot Book Fairs held between 2003 and 2006 were generally positive;
- The Cattle Depot Sue Yuen (2001-2003) provided the community with diversified educational programs;
- The tenants of Cattle Depot undertook a wide variety of education programs for school children, which had planted seeds in soil for young talents.

5.4.3 Artistic Perspective
- The CDAV is an important platform for the development of the local alternative theatre. It cultivates young artists and promotes interaction between local and international artists;
- 1a Space upholds its tradition of being experimental in art media and presentation;
- Artist Commune focuses on sculpture and experimental Chinese ink painting;
- Videotage focuses on the experimentation of video and media arts and installation. Furthermore, it has co-organized the Microwave International Media Art Festival, the only annual event focusing on media art in Hong Kong;
- On & On Theatre Workshop continued to modify and establish alternative theatre;
- Individual visual artists Kwok Mang Ho and Kum Chi Keung are two of the most prominent artists in Hong Kong.
5.4.4 Lacking a system to sustain vitality
The Cattle Depot in the last few years has operated under more favourable conditions than before, e.g. HKADC’s “Multi-Project Grant” has favoured the small-to-medium sized arts groups to initiate new and strategic arts projects. However, there seem to be a decline in the energy level or vitality of Cattle Depot as an entity in the last few years. One of the reasons may be several of the institutional tenants had a change in board membership and development strategies in recent years. It would seem pertinent that the extent of contribution tenants make to the Artist Village should be among the evaluation criteria for tenancy.

5.5 Cattle Depot Artist Village: The contribution of an alternative space for contemporary arts and ideas to the local art ecology
• The CDAV has established itself as an alternative space for contemporary arts in Hong Kong;
• The bottom-up, grass-root mode of operation is a valuable asset and reference in Hong Kong;
• Cattle Depot succeeds in offering arts education programs for school children and serves as an incubator of young creative talents;
• The Cattle Depot has brought reputation to Hong Kong through international exchange programs and networking.

Chapter 6 Possible Contributions of Artist Village to Arts and Community Development
6.1 Arts and Cultural Development
Being a space for creation and professional exchange, artist village is an indispensable component of art ecology. It serves as the Production, Distribution and Consumption unit of the creative industries. Demand for space, where artists can create and rehearse their works, has been very high in Hong Kong.

6.2 Community and District Development
The public events of the artist village not only directly provided leisure or arts activities for its neighbourhood communities, they also increased the pedestrian flow of the district and boost its economical activities. Local residents developed their sense of belonging and strong identity of their community through constant participation in the community art programs
generated at the artist village. From the overseas experiences, an artist village that has successfully integrated with the community can also act as a catalyst to district revitalization.

6.3 Government Policy and Support in Establishment of an Artist Village

There are three aspects of government policy in Hong Kong that would directly affect the establishment of an artist village, i.e. the cultural policy, the creative industries policy and the land policy. High land price has always been the largest obstacle of the development of artist villages in Hong Kong. Without pre-determined policy objectives for the establishment of artist villages, the granting of land or spaces for such purposes would not be possible.

Chapter 7 Examining the Context for the Future Development of Cattle Depot Artist Village

7.1 SWOT Analysis

**Strength:**

| Hardware | • Heritage significance of the architecture of Cattle Depot. |
| Software | • Cattle Depot itself is a vital part of local art movement (from Oil Street to Cattle Depot), it has become an important base for local art development; |
|          | • Has established as an alternative space for contemporary arts and ideas, providing choices other than the mainstream; |
|          | • As an incubator of young artist, a place to showcase the creative works of young talents; |
|          | • Has track record that their joint activities are quite well-received by the public; |
|          | • Has developed international reputation and network; |
|          | • Audience development: the alternative arts and programs have widened the audience base and developed loyal audience; |
| Policy   | • The management has not interfered with nor impose restrictions on the activities of the tenants, |

**Weakness:**

| Hardware | • Do not possess Places of Public Entertainment |
| License, the CDAV cannot be fully opened to public for staging large-scale activities; |
| Software |
| • Lack of coordination amongst the tenants, making joint programs and marketing difficult; |
| • Few educational programs for students and community programs for the neighbourhood, and limited interaction with the district; |
| • The activities of organization tenants in CDAV have to rely on public subsidy since there is limited market for contemporary arts activities in Hong Kong. |
| Policy |
| • Unclear position with no vision and mission; |
| • Current management practices do not encourage public interaction; |
| • Lacking a system to sustain vitality of the tenants (fixed tenancy with clear expectations and evaluation; |
| • Term of lease is uncertain; |
| • The static composition of the tenants is neither fair nor conducive to professional exchanges amongst the tenants; |
| • Heritage significance not presented to the public. |
| Community /Environment |
| • Transportation network not well developed, no car parking spaces; |
| • Supporting facilities (eating and dining places) in the district not well developed; |
| • No supporting commercial facilities such as coffee shop, bookshop, souvenir shop etc. inside CDAV. |

**Opportunity:**

| Policy |
| • The Ma Tau Kok Gas Works (North Plant) site will be redeveloped and the limitation on development plans leading to an increase of people in CDAV and its vicinity has been removed; |
| • Urban Renewal of neighbourhood district (such as 13 Streets which opposite to the CDAV) as a result of Ma Tau Kok urban renewal plan, Kai Tak Development and Harbor Front Development; |
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- The setting up of mass railway: the planning of building Shatin to Central Link (SCL) MTR and the station of To Kwa Wan, completed in 2015, could obviously ease the accessibility of the Cattle Depot;
- Government’s initiative to develop the creative industries in Hong Kong and the potential for CDAV to become a creative hub.

| Community /Environment | The future private residential land use may also provide a sizeable pool of potential audience to the Artist Village;
- Success of recent community arts program demonstrates the potential of using arts for community building and urban regeneration purpose. CDAV can introduce community arts programs to integrate with the neighbourhood community and play a key role in revitalizing the district;
- Increased public concern about local history and identity (eg. the demolition of Star ferry Pier). 13 Streets opposite CDAV has potential to become a unique attraction since it manifests the fabric of Hong Kong grass root life in the second half of the 20th century;
- The development of West Kowloon Cultural District
  - Raise public awareness on art and culture issues;
  - Highlights the inadequacy of cultural software in Hong Kong and the urgency for the government to address the problem. |

**Threat**

| Hardware | Limited floor area hinders CDAV from gathering a sizeable number of artists talents (and creative industry practitioners). This limit its ability to offer a lot of activities which can make an impact on the local arts scene;
- A sustainable financial mode of operation has yet to |
be developed.

| Software | • Possible negative publicity arising from individual artists tenants who might disagree with the future policies/assessment of the management;  
|          | • Higher expectations from different stakeholders once its future role is confirmed. Different expectations might not be compatible. |
| Policy   | • Other cultural spaces such as West Kowloon might duplicate the work of CDAV in promotion of contemporary arts. |
| Community/Environment | • Possible competition from other Artist Village or cultural space which has a bigger critical mass;  
|          |   ■ JCCAC also provides working studios for artists and art organizations;  
|          |   ■ Central Police Station Complex (expected to be opened in mid-2012);  
|          | • West Kowloon Cultural District would become a major attraction whilst other cultural spaces might be marginalized. |

7.2 Insights from Overseas Models
From the overseas experiences, most of the artist villages have clear missions and objectives, and that they are managed by non-government organizations or board of trustees. Furthermore, the number (mass) of artists and art organizations in an artist village is a critical factor for its dynamic development. The possible impact of an artist village increases with the number of its tenants.

7.3 Proposed Strategies of Cattle Depot Artist Village in view of New Developments and Potential Competitors
Compared with other local cultural and community development projects, the proposed strategies of CDAV should integrate Art Development, Urban Regeneration, Local Visitors and Tourist Attraction. (See Illustration 2)
Chapter 8  Two Options for Future Development of Cattle Depot Artist Village and Corresponding Modes of Operation

Having examined possible contributions the CDAV can make to arts and community development in Hong Kong as well as undertaking a SWOT analysis to understand the internal and external environment, we are now ready to outline the future role, objectives and strategies of the CDAV.

8.1  The Two Options: Status Quo and Expanded Cattle Depot Artist Village

Option One: Status Quo

- Operating within existing premises without significant changes to the overall physical space (apart from zoning and supporting facilities);
- Continue its established character as a Centre for Contemporary Arts and Ideas;
- Provide space for artistic creation, rehearsal and professional exchange;
- Provide space for display (exhibition) and performance of contemporary...
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- Provide platform to showcase young talents;
- Provide activities to foster understanding of contemporary art;
- Provide activities to interact with the community;
- Presentation of artist-in-residency programs;
- Presentation of occasional major-scale joint programs such as Cattle Depot Arts Festival.

Option Two: Expanded Cattle Depot Artist Village (Current CDA V + New Annex)

- An annex building will be erected at the ex-Ma Tau Kok Large Animal Quarantine Depot (i.e. the vacant land adjacent to the present CDA V)
- The Artist Village will extend to become a Centre for Hong Kong Arts and Community Development which aims to promote contemporary art, to showcase Hong Kong art and artists, and to integrate art into the community;
- Expanded CDA V can reinforce the objectives of the Option One, as well as:
  - Showcase history and culture of district;
  - Showcase the historical and heritage value of Cattle Depot;
  - Organize art activities to raise public awareness of local identity and culture;
  - Organize community arts programs to interact with the community;
  - Undertake research & development project in the area of “arts and society”;
- The additional space can be used for studios for individual artists, rehearsal studios for performing arts organizations, classrooms for educational purposes, art therapy centre, office or meeting place for literary arts, arts administration etc. Future tenants of the CDA V should come from a variety of art forms and have good links with the society. The diversity will encourage cross-art from collaboration and attract a diversified public to support CDA V activities;
- Other space in the new annex building can be rented out on commercial basis to offset the operational cost of the Artist Village. It would be ideal if the activities of the commercial tenants have some relationship with arts, local culture or the creative industries.
8.2 Financial Models

Underlying principles for future financial operation:
1) The CDAV should be run as a not-for-profit enterprise;
2) Tenants should pay for the basic cost involved in operating the Artist Village through rental (e.g. management, maintenance, etc.);
3) Rental for commercial users should be set at a level comparable to the current market rate.

There are two feasible financial models for maintaining in each of the mode of operation. (See Illustration 3)

Illustration 3: Four financial models of the two proposed options

<table>
<thead>
<tr>
<th>Centre for Contemporary Arts &amp; Ideas (Status Quo)</th>
<th>Centre for Hong Kong Arts and Community Development (Expanded Version: CDAV + new annex)</th>
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<tbody>
<tr>
<td>Indirect Subsidy Model</td>
<td>Developed and managed by private organization</td>
</tr>
<tr>
<td>Rental income from commercial tenants to support joint activities and promotion.</td>
<td>Government provides land and capital cost, the Centre will be operated by cross-subsidy under one NGO (for a contract period of 5 to 7 years).</td>
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<tr>
<td>Direct Subsidy Model</td>
<td>Government provides land and private organization invest capital cost, the Centre will be operated by NGO with private developer as the governing board. (contract period will be longer).</td>
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<tr>
<td>Apart from the rental income from commercial tenants to support joint activities, special subsidy could be directly used for central activities and promotion.</td>
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8.3 Management Model

Whichever positioning or operation mode is chosen, the CDAV must adhere to the following principles:

- The ownership of the Artist Village premises remains with the HKSAR government;
- There should be a selection process for choosing the most appropriate operational organization by invitation or by open bidding;
- The operational organization may be statutory bodies or charitable NGOs;
- The board of the operational organization should formulate policies on tenancy selection and management. The operational organization should maintain regular liaison with tenants and implement policies established by the Board, provide quality service to tenants and visitors, and is responsible for planning and execution of joint programs and marketing etc;
- Regarding the tenancy policy, the tenants should come from different art forms and backgrounds. Tenancy period should be fixed so that periodic assessment of the tenants can be conducted. The governing board of the operational organization should allow some flexibility in setting different rates within a pre-determined range for special tenants.

8.4 Analysis of the Different Operation Models

The pros and cons of two options and four financial models:

1. Indirect subsidy model (see Illustration 4);
2. Direct subsidy model (see Illustration 5);
3. Built by government, managed by NGO (see Illustration 6);
4. Developed and managed by private organization (see Illustration 7)
Illustration 4: Pros and cons of the “Centre for Contemporary Arts and Ideas” with **Indirect Subsidy Model**

### Centre for Contemporary Arts and Ideas

**Pros**
- Minimal change involved
- Minimal capital involved

**Software**
- Minimal effects to existing tenants

**Policy**
- CDAV might face big challenge while West Kowloon Cultural District duplicate the work in promotion of contemporary arts

**Community/ Environment**
- West Kowloon Cultural District would become a major attraction whilst other cultural spaces might be marginalized
- Possible competition from other artist village or cultural space which has a bigger critical mass:
  - JCCAC also provides working studios for artists and art organizations
  - Central Police Station Complex (expected to be opened in mid-2012)

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### Cons

**Hardware**
- Little scope for development
- Limited impact due to small scale
- A sustainable financial mode of operation has yet to be developed

**Software**
- Lack of a sizeable number of artists tenants (and creative industry practitioners) and the mix of the tenancy limit its vibrancy and attraction to the public
- Quality and nature of programs cannot be assured and depend on support from third parties
Illustration 5: Pros and cons of the “Centre for Contemporary Arts and Ideas” with Direct Subsidy Model

Pros

Hardware
- Little changes required except for funding arrangement
- Minimal capital involved

Software
- Quality and nature of programs assured by direct subsidy
- Minimal effects to existing tenants

Cons

Hardware
- Little scope for development
- Limited impact due to small scale
- A sustainable financial mode of operation has yet to be developed

Software
- Lack of a sizeable number of artists tenants (and creative industry practitioners) and the mix of the tenancy limit its vibrancy and attraction to the public
- Quality and nature of programs cannot be assured and depend on support from third parties

Policy
- Amount of funding depends on government financial situation
- CDAV might face big challenge while West Kowloon Cultural District duplicate the work in promotion of contemporary arts

Community/ Environment
- West Kowloon Cultural District would become a major attraction whilst other cultural spaces might be marginalized
- Possible competition from other artist village or cultural space which has a bigger critical mass:
  - JCCAC also provides working studios for artists and art organizations
  - Central Police Station Complex (expected to be opened in mid-2012)
Illustration 6: Pros and cons of the “Centre for Hong Kong Arts and Community Development” **built by government and managed by NGO**

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<td>- Additional floor space for renting</td>
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<td>- Financially sustainable</td>
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<td>- Government has strong control over development plan</td>
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<td>- Can maintain its appeal against new competitors</td>
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<td><strong>Community/ Environment</strong></td>
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<td>- Can play a bigger role in revitalization of the neighbourhood area</td>
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<td>- Government has to provide capital cost</td>
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Illustration 7: Pros and cons of the “Centre for Hong Kong Arts and Community Development” developed and managed by private organization

**Pros**

**Hardware**
- CDA V can fully open to public
- Additional floor space for renting
- Private developer may bring new impetus
- Financially sustainable

**Software**
- Extra floor space can house a sizeable number of artists tenants (and creative industry practitioners) which come from a variety of art forms, enhance the vibrancy and attraction to the public
- Can make significant contributions to fostering innovative, experimental and contemporary characters, and being an incubator of young creative talents
- Allow larger-scale of activities which can manifest the impact and attract public participation
- Can introduce more community arts programs to integrate with students and neighbourhood community

**Policy**
- Can maintain its appeal against new competitors

**Community/ Environment**
- Can play a bigger role in revitalization of the neighbourhood area
- Enhance the functions in development of community arts programs, conservation of historical building, and manifestation of local arts and cultural

**Cons**

**Hardware**
- Significant renovation is required
- Temporary arrangement is needed for existing tenants

**Software**
- Existing tenants might be largely affected

**Policy**
- Government has less control over development plan
- Operational organization has to be appointed for a very long period
- Higher risk with more parties involved
Chapter 9  Road Map

Based on the two options and four financial models mentioned above, a road map for the future development of the CDAV is proposed (see Illustration 8). The following items should be considered before implementation:

- A thorough investigation and analysis of the current financial arrangement and implications of the Expanded CDAV should be carried out. Moreover, such a study should also include financial analysis and arrangement for the transition period of the project;
- The Blueprint for future development should be used as a basis for public consultation. Special efforts should be made to solicit views from the stakeholders who would be directly affected by the future development of CDAV.
- The government should identity an Operational Organization as quickly as feasible. It should therefore prepare the bidding documents soon after public consultation and internal decision.

Regarding the arrangement for existing tenants, they should be given a longer grace period to decide and make arrangements for their future base. This should be possible since three of the four options include bidding process for the operational organization which we believe would take at least one year. The option of appointing a Steering Committee could allow for even more flexibility. For those tenants who wish to stay on, this period would also allow them to better adjust to the new expectations of future development of the village and the tenancy terms before the open selection process.
Illustration 8: Summary of the Implementation Process

**Indirect Subsidy Model**
Centre for Contemporary Arts and Ideas

- Government to prepare bidding document for Operational Organization
- Invitation for Proposal
  - Management plan
  - Tenancy plan (including the proposed arrangement of existing tenants)
  - Financial plan
- Announcement of successful bidder and Transfer of Management

**Direct Subsidy Model**
Centre for Contemporary Arts and Ideas

- Steering committee
  - Plan and oversee new annex building project
  - Prepare the bidding/invitation documents.
- Bidding/Invitation of Operational Organization
  (one year before inauguration of new annex building)
  - Management plan
  - Tenancy plan (including the proposed arrangement of existing tenants)
  - Financial plan
- Announcement of successful bidder (NGO) and transfer of management

**Built by government, managed by NGO**
Centre for Hong Kong Arts and Community Development

- Government to prepare bidding document for Development and Operational Organization (NGO + private developer)
- Invitation for proposal
  - Conceptual plan for development
  - Financial plan
  - Tenancy plan (including the proposed arrangement of existing tenants)
  - Management plan
- Announcement of successful bidder (Private developer & NGO)

**Developed and managed by private organization**
Centre for Hong Kong Arts and Community Development

- Implementation by Private developer & NGO according to its development plan
- Re-condition of old premise

- 1st Tenancy exercise conducted by the Operational Organization

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