

## **LEGISLATIVE COUNCIL BRIEF**

### **ADAPTIVE RE-USE OF THE CENTRAL POLICE STATION COMPOUND: THE HONG KONG JOCKEY CLUB'S PROPOSAL**

#### **INTRODUCTION**

At the meeting of the Executive Council on 25 September 2007, the Council ADVISED and the Chief Executive ORDERED that -

- (a) Government should not proceed with the approach of inviting the private sector to restore and develop the Central Police Station (CPS) Compound into a heritage tourism attraction; and
- (b) Government should accept in principle the proposal of the Hong Kong Jockey Club (HKJC) for developing the CPS Compound, with a view to taking it forward by commencing public engagement and detailed design to develop it into a detailed plan comprising the following key aspects –
  - (i) HKJC would bear the capital cost for the renovation and development of the CPS Compound by a donation-in-kind and fund the recurrent deficit for the initial years of operation;
  - (ii) the restored CPS Compound was to be managed by a limited company, operating under the direction of the HKJC Charities Trust (HKJCCT) and supported by a Heritage Advisory Committee; and
  - (iii) the proposal would be implemented under an agreement (or agreements) between the Government and HKJC setting out specific terms and conditions.

#### **JUSTIFICATIONS**

2. In early 2004, Government planned to invite the private sector through an open tender exercise to preserve, restore and develop the CPS Compound site (existing layout at Annex A) into a heritage tourism attraction. In June 2004, the then Chief Executive received a proposal

from a group representing the Ho-Tung and other local families on the conceptual use of the CPS Compound. Under that proposal, the Government should grant the site by private treaty at nominal premium to a non-profit making organisation to be set up for the development of the site into a visual arts academy with related facilities.

### **Public Concerns**

3. The proposal generated extensive public discussion over Government's approach to dispose of the site through a tender. The main concerns were –

- (a) there were calls for the CPS Compound to be run and managed by non-profit making organisations rather than by commercial or property developers. Non-commercial options for the development of the CPS Compound should be given equal consideration with the commercial options in the tender assessment; and
- (b) in addition to economic and tourism benefits, some quarters called for more emphasis on community interests in the tender assessment, such as public access as well as integration with and improvement to the surrounding areas.

### **HKJC's Proposal**

4. HKJC submitted a conceptual proposal to the Government in April 2007. It proposes a donation-in-kind to support the capital cost for renovation and development of the CPS Compound, as well as meeting the management and maintenance cost for the initial years during which the project is expected to be running into operational deficits. The donation will be presented as a gift to the people of Hong Kong to celebrate the 10<sup>th</sup> Anniversary of the establishment of the Hong Kong Special Administrative Region (HKSAR). The details of HKJC's proposal are set out in paragraphs 5 to 8 below.

#### **(A) Development Parameters**

5. HKJC proposes the following major development parameters -

##### **(a) Historic Buildings and Conservation**

The restoration, conservation and development of the historic buildings in the CPS Compound will conform with the conservation requirements set by the Antiquities and Monuments Office (AMO). Parts of these requirements include the principles contained in the three international standards of heritage conservation (viz. the Venice Charter, the Burra Charter and the Principles for the Conservation of Heritage Sites in China);

**(b) New Iconic Structure**

In order to revitalise the site to increase its public appeal and accessibility, and given the structural constraints of existing historical buildings in the Compound, HKJC proposes to create additional space for in-situ arts and cultural facilities, which are very much in demand. HKJC further proposes to achieve this by constructing a new iconic structure on the upper platform area, which is the only suitable site to build. Under the conceptual proposal, there are various options with building height ranges between 75 m and 200 m approximately; and

**(c) Land Use Mix**

In HKJC's conceptual proposal, the total gross floor area (GFA) of the redeveloped CPS Compound is about 25,200 m<sup>2</sup> inclusive of the new iconic structure of about 7,100 m<sup>2</sup>, to be allocated between commercial (54%) and non-commercial (46%) uses. The commercial GFA will mainly be used for retail and catering activities which will be compatible with the surrounding environment, while the vast majority of the non-commercial GFA (90%) will be used for arts and cultural facilities.

**(B) Financial and Institutional Arrangements**

6. HKJC estimates that the capital cost of the project will amount to about \$1,800 million, and that the redeveloped CPS Compound will become financially self-sustainable after three years of operation. HKJC is prepared to fund the recurrent deficit for the initial years of operation when the Compound is expected not to be financially self-sustainable. HKJC has also indicated its willingness to plough back future surpluses arising from the Compound to heritage conservation work in Hong Kong, for example, to support a statutory Heritage Trust if one is to be set up in future.

7. As for the development mode, in general the site will be made available, but not granted, to HKJC which will undertake renovation and conversion works as well as be responsible for the management and maintenance of the Compound. The redeveloped CPS Compound will be managed by a limited company, operating under the direction of HKJCCT. This company will be managed under a Board of Directors, comprising trustees of HKJCCT, and will be chaired by the Chairman of HKJCCT. The Board will be advised separately by a Heritage Advisory Committee, to be appointed by HKJC. The Heritage Advisory Committee will be chaired by the Chairman of HKJC and comprise members from the community with particular expertise in heritage conservation, as well as representatives from the Development Bureau, Home Affairs Bureau, Antiquities and Monuments Office of Leisure and Cultural Services Department, Tourism Commission, and Central and Western District

Council etc.

### **(C) Expected Timing**

8. HKJC proposes to announce the key elements of its proposal within 2007 to tie in with the celebration of the 10<sup>th</sup> Anniversary of the establishment of HKSAR. After this, HKJC intends to take about six months to engage stakeholders like C&W DC, area committees, residents' associations and arts and cultural groups, inform the public and develop a detailed design. HKJC may suitably adjust its conceptual design taking into account public views. It will also conduct a detailed feasibility assessment to ensure that the project will comply with all statutory planning, traffic and environmental requirements.

### **The Administration's Preliminary Assessment**

9. The Administration welcomes HKJC's proposal and in general considers it innovative and pursuable. The proposed adaptive re-use of the CPS compound, a declared monument, is in line with the heritage policy and project initiatives we are formulating to strike a balance between development and heritage. Specifically, the proposal will be a valuable demonstration of partnership between Government and non-profit making organizations to conserve historic buildings and transform them into local cultural icons.

10. HKJC's willingness to support the project by a generous donation, taking due regard of heritage conservation considerations and implementing the project with public engagement, greatly enhances the attractiveness of its proposal. We also consider it has good potentials to gain public acceptance, and is worthwhile to pursue further. Our views on the key aspects of HJKC's proposal are spelt out in the following paragraphs.

### **(A) Heritage Conservation and Promotion of Tourism**

11. The proposal of HKJC should generally be supported from the heritage conservation policy angle. In developing the proposal, HKJC has pledged to conform with the conservation requirements set by AMO. Furthermore, it will provide a good example of adaptive re-use of heritage buildings. With a mix of heritage, arts, cultural and commercial facilities and activities, it is expected that the proposal will appeal to both local residents and tourists. The redeveloped CPS Compound will also enhance the synergy among nearby heritage and tourist attractions including Dr Sun Yat-sen Museum and Historical Trail, Man Mo Temple, SoHo, Lan Kwai Fong, Hollywood Road etc. It will also add vibrancy to the area, and generate business opportunities for the neighbouring retail and dining facilities. All of these will integrate to help making the redeveloped CPS Compound a unique heritage and cultural landmark for the enjoyment of the community.

## **(B) Development Parameters and Technical Feasibility**

12. In general, we consider HKJC's proposal attractive and worth pursuing. However, certain aspects need to be examined in greater detail –

### **(a) Traffic Considerations**

The Administration is mindful of the busy traffic situation in the vicinity of the CPS Compound. HKJC's preliminary traffic impact assessment suggests that the traffic impact on the surrounding roads may not be insurmountable, and that practicable measures such as staggering the arrival and dispersal periods of events held at different venues within the Compound and regulating servicing and delivery vehicles can be devised to alleviate the impact. HKJC will conduct a more detailed technical feasibility and traffic impact assessment once the detailed design is available and will formulate measures to minimize traffic impact, improve transport facilities and enhance pedestrian flow in the area. The Government will then assess whether the proposed measures can address the possible traffic impact;

### **(b) Environmental Considerations**

HKJC has conducted a preliminary environmental impact assessment of the proposal during construction and operational phases. In future, in pursuing the proposal, HKJC will follow the statutory procedures for an Environmental Impact Assessment (EIA) to determine the environmental acceptability (including the visual impact of the proposed new structure) of the project, and meet the requirements of the EIA Ordinance and its Technical Memorandum;

### **(c) Land Use Mix**

The proposed provision of additional small-sized performing arts and cultural venues in Central will address the current shortage of such facilities in centrally-located areas and comply with the planning intention of the Outline Zoning Plan (OZP). They will complement the larger scale arts and cultural venues being planned in the West Kowloon Cultural District. The proposed food and beverage facilities would enrich the Compound and provide an essential source of income for the Compound to be financially self-sustainable in the longer term. The proposed commercial uses should also comply with the requirements of the OZP; and

### **(d) New Iconic Structure**

The height of the proposed iconic structure will exceed the height

restriction set by AMO. Before the project can proceed, it will be necessary to seek the support of Antiquities Advisory Board (AAB) and obtain planning permission of Town Planning Board (TPB). HKJC will also consult the Central and Western District Council once the new District Council is in session after the coming elections.

### **(C) Financial and Institutional Arrangements**

13. According to HKJC, there will be negative cashflow for the redeveloped CPS Compound for the initial three years of operation, before it can establish a stable clientele. It expects that the Compound will be able to operate on a self-sustainable basis in the long run. For the initial years of operation, HKJC is willing to fund the recurrent deficit. Thereafter, in the unforeseeable circumstances that the deficit still sustains, it will be willing to favourably consider continuing to fund the deficit.

### **IMPLICATIONS OF THE PROPOSAL**

14. The proposal is in conformity with the Basic Law, including the provisions concerning human rights, and has no productivity implications. The financial and civil service, economic, environmental, planning and sustainability implications are at Annex B.

B

### **PUBLIC CONSULTATION**

15. HKJC and Government will shortly make a joint announcement of the HKJC's conceptual proposal. In the announcement, HKJC will explain the key elements of the proposal and highlight its readiness to engage the public in developing a detailed design. We also plan to consult the relevant Legislative Council Panels, and brief AAB and TPB. As the current proposal is only a conceptual design, HKJC plans to take about six months to engage stakeholders in developing a detailed design. Stakeholders to be consulted will include the District Council, residents and commercial operators in the vicinity, interest groups in the cultural and heritage fields, etc, etc.

### **BACKGROUND**

16. The CPS Compound comprises three groups of buildings, namely the Central Police Station, the former Central Magistracy and Victoria Prison. They were declared as monuments under the Antiquities and Monuments Ordinance in 1995. After a review of the conservation guidelines for the CPS Compound, AAB recommended to classify F Hall in the upper platform area as a non-historic item in 2004.

17. Since the mid 19<sup>th</sup> century, the Central Police Station had served as the headquarters for law enforcement throughout the territory until World War II. The oldest structure within the Compound is a barrack block built in 1864.

18. The construction of the Central Magistracy commenced in 1913 and was completed in 1914. The site was originally occupied by another Magistracy which was probably erected in 1847 but was later demolished to make way for the Central Magistracy. The Central Magistracy was closed in 1979.

19. Built in 1841, the Victoria Prison was the first building constructed of durable materials. Most of the buildings within the Compound were damaged by bombing during the Second World War. The Prison was re-opened in 1946 after repairs.

20. We have been allowing community organisations to apply for use of the CPS Compound for holding public activities since December 2004. We have also redeployed resources for the essential maintenance of the historic buildings on the Compound.

## **ENQUIRIES**

21. Enquiries may be directed to Mr Wong Ming-to, Principal Assistant Secretary (Works)<sup>2</sup> of Development Bureau on 2848 2045.

Development Bureau  
October 2007

## **ANNEXES**

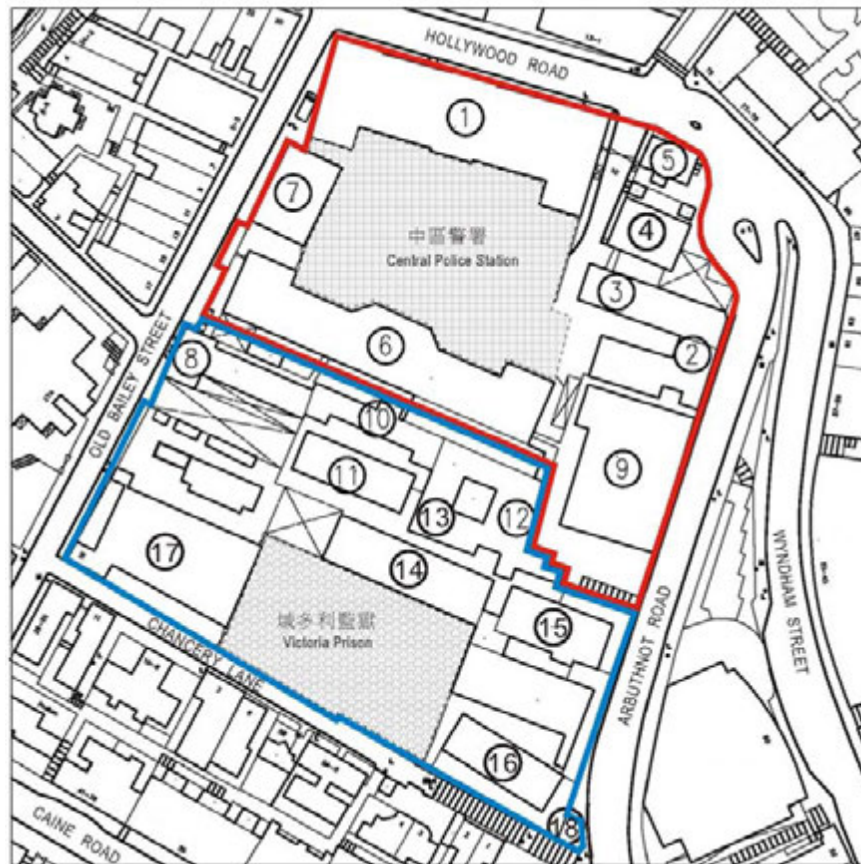
### **ADAPTIVE RE-USE OF THE CENTRAL POLICE STATION COMPOUND: THE HONG KONG JOCKEY CLUB'S PROPOSAL**

Annex A Existing Layout of the Central Police Station Compound

Annex B Implications of Hong Kong Jockey Club's Proposal



**Existing Layout of the Central Police Station Compound**



**Central Police Station**

- 1. Headquarters Block
- 2. Block A
- 3. Block B
- 4. Block C
- 5. Block D
- 6. Barrack Block
- 7. Stable Block
- 8. Sanitary Block
- 9. **Former Central Magistracy**

**Victoria Prison**

- 10. A Hall
- 11. B Hall
- 12. C Hall (East Wing)
- 13. C Hall (West Wing)
- 14. D Hall (West Wing)
- 15. D Hall (East Wing)
- 16. E Hall
- 17. F Hall
- 18. Watch Tower (Bauhinia House)



## **Implications of Hong Kong Jockey Club's Proposal**

### **Financial and Civil Service Implications**

HKJC will make a donation-in-kind to the Government in the form of a capital investment for the renovation and development of the CPS Compound estimated at \$1,800 million. No capital funding is required from the Government. For future management and maintenance, HKJC will set up a limited company to oversee the day-to-day operation of the redeveloped Compound and fund the recurrent deficit for the initial years of operation. During construction and operation, the Administration will liaise closely with HKJC to ensure that the renovation and construction works fully comply with all heritage conservation and environmental requirements set by AMO and other relevant bureaux/departments. All liaison and monitoring work required of the Development Bureau and other bureaux/departments will be absorbed by existing resources. There will be no financial and civil service implications for the Government.

### **Economic Implications**

2. HKJC's proposal will attract people's flow, add vibrancy to the Central area, and generate business opportunities for the retail and dining facilities nearby. It will also broaden Hong Kong's offer in tourism attractions, particularly in cultural heritage tourism.

### **Environmental Implications**

3. HKJC's proposal is a Designated Project under the Environmental Impact Assessment (EIA) Ordinance, and will have to follow the statutory EIA procedures to determine the environmental acceptability of the project, and meet the requirements of the EIA Ordinance and its Technical Memorandum, including consultation with the public and the Advisory Council on the Environment. An environmental permit (EP) under the EIA Ordinance is required for the construction and operation of the project. HKJC will have to follow the requirements of the EIA Ordinance and seek an EP before commencing works.

### **Planning Implications**

4. The traffic and pedestrian flow as well as the bunching effect (especially when the audience goes to and leaves the performance venues at about the same time) are important practical concerns. In order to minimise the traffic impact, HKJC's preliminary traffic impact assessment has suggested some possible measures such as arranging most performances to start after the peak hours and prohibiting parking (except for service and emergency vehicles) in the Compound. HKJC expects that,

given that there are Mass Transit Railway stations and other public transport facilities located within reasonable walking distance, the majority of visitors would access the CPS Compound by public transport or on foot. A detailed traffic impact assessment will be conducted by HKJC to assess whether the impact of the final design is acceptable.

5. Since HKJC's proposal involves a new development (i.e. the iconic structure referred to in the paper), planning permission from TPB will be required.

### **Sustainability Implications**

6. The preliminary assessment indicates that the redeveloped CPS Compound will create synergy with nearby attractions including Dr Sun Yat-sen Museum and Historical Trail, Man Mo Temple, SoHo, Lan Kwai Fong, Hollywood Road etc. and create a heritage tourism cluster. The cluster will help diversify the tourism products offered by Hong Kong, enhance tourists' experience, generate business opportunities for nearby retail and dining facilities, thus contributing positively to the economic development of Hong Kong. In addition, the cluster will become an ideal spot for family visitors and students to appreciate our historical and architectural assets as well as the heritage of Hong Kong. It will provide a new node for public enjoyment and enhance social attachment to this heritage site.

7. Implementation of the proposal will inevitably have environmental implications. The sustainability assessment has identified potential environmental issues, such as noise impact during the construction phase as well as sewerage, waste and visual impacts during the operation phase. These impacts will be studied in greater detail in the relevant environmental study. The final proposal will only proceed if the assessment findings confirm that the environmental impacts are acceptable. It is important to maintain a sense of visual harmony with the historic compound. HKJC plans to take about six months to engage stakeholders in developing a detailed design.

8. The redeveloped CPS Compound will provide more cultural venues for arts and cultural groups to stage performances or exhibitions. This is in line with the sustainability principle of enhancing the vibrancy of Hong Kong's recreational opportunities and leisure activities.

9. Finally, the proposed redevelopment model will set a good example of collaborative partnership with non-profit making organisations in adaptive re-use of Government-owned historic buildings and contribute to sustainable conservation of important historical and heritage sites.

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