

**For discussion on
23 November 2010**

Legislative Council Panel on Development

Progress Report on Heritage Conservation Initiatives

PURPOSE

This paper updates Members on the progress made on a number of heritage conservation initiatives since our last report in March 2010 (Legislative Council Paper No. CB(1)1447/09-10(04)) and invites Members' views on our future work.

I. PROGRESS MADE ON HERITAGE CONSERVATION INITIATIVES

In the Public Domain

Revitalising Historic Buildings Through Partnership Scheme (Revitalisation Scheme)

Batch I

2. For the six projects under Batch I selected by the Advisory Committee on Revitalisation of Historic Buildings (ACRHB), the latest position is as follows –

- (a) **Former North Kowloon Magistracy** – Renovation works for revitalising the site into the Savannah College of Art and Design (SCAD) Hong Kong Campus were completed in August 2010. The College started operation on 13 September 2010 as a place for nurturing creative talents, offering 14 undergraduate and postgraduate courses in visual arts and digital media. It has a student enrolment of over 140 for the current school term and expects to progressively reach its enrolment capacity of 1 500 over the next few years. Starting from 1 November 2010, the College organizes guided tours on Mondays to Saturdays for the public to appreciate the architectural merits of the former magistracy building and to learn about its history. Arrangements are being made for a visit by Legislative Council Members to

SCAD-Hong Kong Campus on 10 and 13 December 2010;

- (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 the third quarter of 2011. The hotel is expected to start operation in the fourth quarter of 2011;
- (c) **Fong Yuen Study Hall** – Detailed design for revitalising the site into a tourism and Chinese cultural centre cum Ma Wan residents museum is underway. Works tender is scheduled to be issued by end 2010 and renovation works are expected to be completed in the fourth quarter of 2011;
- (d) **Mei Ho House** – Detailed design for revitalising the site into a youth hostel is underway. Works tender is scheduled to be issued by end 2010 and renovation works are expected to be completed in the second quarter of 2012;
- (e) **Former Lai Chi Kok Hospital** – This cluster of historic buildings will be revitalised as the Jao Tsung-I Academy for the promotion of Chinese culture in honour of Professor Jao Tsung-I, the world-renowned eminent scholar in Chinese culture. Detailed design has been finalized and the tender process is expected to be completed by end-January 2011. Renovation works are scheduled for phased completion in the fourth quarter of 2011 and in the third quarter of 2012 respectively; and
- (f) **Lui Seng Chun** – Detailed design for revitalising the building into a Chinese medicine and healthcare centre has been completed and bids for the works tender received are being assessed. Renovation works are expected to be completed in the fourth quarter of 2011.

3. The revitalisation of the Former North Kowloon Magistracy, the Former Lai Chi Kok Hospital and Mei Ho House complements other historic sites and revitalised buildings nearby (such as the Lei Cheng Uk Han Tomb Museum and the Jockey Club Creative Arts Centre), reflecting the “point, line and plane” approach that we advocate for heritage conservation. The revitalised facilities will not only open their doors to locals and visitors for the appreciation of our valuable built heritage, but also provide job opportunities and services beneficial to the local community. We will continue to identify scope for preserving, revitalising and promoting our heritage sites in other districts in a similar manner.

Batch II

4. The Development Bureau launched Batch II of the Revitalisation Scheme in August 2009. On the recommendation of the ACRHB, the Secretary for Development (SDEV) has granted approval-in-principle to three projects for the revitalisations of the Old Tai Po Police Station, the Blue House Cluster and the Stone Houses respectively. Details of the three selected projects are set out at Annex A. The financial implications and the estimated work programme of these three projects are set out at Annex B.

5. Following the announcement of the selection results on 15 September 2010, the selected applicants are pressing ahead with the implementation of the revitalisation projects as set out below -

- (a) undertaking pre-tender work, including conducting site investigation and technical studies if necessary, completion of the detailed design and necessary administrative procedures similar to other capital works projects, etc.;
- (b) seeking planning permission from the Town Planning Board for the proposed adaptive re-uses; and
- (c) preparing submissions for seeking funding approval from the Public Works Sub-committee and the Finance Committee of the Legislative Council. Prior to the submission to the Public Works Sub-committee for each project, we will consult the Panel on Development.

Declaration of Monuments

6. Three privately-owned historic buildings, namely the Tung Wah Museum in Yau Ma Tei, the Man Mo Temple Compound in Sheung Wan and the Tang Kwong U Ancestral Hall in Kam Tin and one Government-owned historic building, the Kom Tong Hall (currently housing the Dr Sun Yat-sen Museum) at Mid-levels, were declared as monuments under the Antiquities and Monuments Ordinance on 12 November 2010. The brief descriptions of these buildings are set out at Annex C. These latest additions have brought the total number of declared monuments in Hong Kong to 98. All four monuments are open to the public. Free guided tours will be provided regularly at the three privately-owned monuments¹ to facilitate public appreciation of their heritage value.

¹ Free guided tours at the Kom Tong Hall are currently organised for the public on a regular basis.

Grading Exercise for 1 444 Historic Buildings

7. Up to 10 November 2010, the Antiquities Advisory Board (AAB) has completed the assessment of the grading of 1 086² 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 1 086 historic buildings are set out below -

- (a) 138 buildings with Grade 1 status;
- (b) 272 buildings with Grade 2 status;
- (c) 396 buildings with Grade 3 status; and
- (d) 280 buildings with no grade.

8. Following the agreed step-by-step approach, AAB will in the first instance focus on the assessment of the proposed grading for the remaining items in the list of 1 444 historic buildings. Where the circumstances so require, AAB may give priority attention to new items/categories proposed by the public for consideration of grading.

In the Private Domain

9. In consultation with the AAB, we will continue to proactively reach out to private owners and offer them a wide range of assistance (including technical advice and financial assistance for the maintenance of historic buildings as well as the offer of economic incentives for heritage-cum-development projects) to encourage and facilitate the preservation of their historic buildings. In particular, on receipt of alerts from relevant departments under the monitoring mechanism³ that plans are afoot for the demolition or redevelopment of any privately-owned monuments or graded buildings, we will approach the private owners to explore conservation options.

² All are in the list of 1 444 historic buildings in the territory for which a public consultation exercise on their proposed gradings was carried out from March to September 2009.

³ Under the monitoring mechanism, Buildings Department (BD), Lands Department (LandsD) and Planning Department (PlanD) will alert the Antiquities and Monuments Office (AMO) and the Commissioner for Heritage's Office (CHO) of the Development Bureau 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.

Financial Assistance for Maintenance Scheme

10. 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 nine applications as at end October 2010, involving a total grant of about \$7.2 million. The current status of the maintenance works of these approved applications is set out at Annex D. In addition, we are processing seven new applications as set out at Annex D.

MAJOR PROJECTS

Conserving Central

11. 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. The implementation progress of the revitalisation of the Central Police Station Compound and the Former Police Married Quarters on Hollywood Road is set out in paragraphs 12-17 below. The implementation progress of the remaining six projects is set out at Annex E.

Central Police Station (CPS) Compound

12. The revitalisation of the CPS Compound, which comprises three groups of monument buildings, namely the CPS, the former Central Magistracy and the Victoria Prison, is a major heritage conservation project under the “Conserving Central” initiative. Following extensive consultation with the public and the local arts and cultural sector, a revised design for the project was announced on 11 October 2010 that respects the heritage value of the site, takes account of public views and concerns, complies with the building height restrictions⁴ and is financially sustainable.

13. Under the revised design, the CPS Compound will be revitalised as a centre for heritage, art and leisure, complementing the organic development of the neighbouring area as a contemporary arts zone. All 15 historic buildings in the Compound will be preserved. Two new buildings of a modest scale will be constructed, namely the Old Bailey Wing to house gallery space and the Arbuthnot Wing to house a multi-purpose venue as well as central plant. In

⁴ Building height restrictions of 60 to 80 mPD (metres above the Hong Kong Principal Datum) are stipulated for different areas in the CPS Compound in the draft Sai Ying Pun and Sheung Wan Outline Zoning Plan.

response to the public views received, the height and the bulk of the proposed new structures have been substantially reduced and the F Hall will be preserved. The schematic design of the new buildings is at Annex F. Accessibility to the compound and connectivity within the compound has been enhanced under the revised design.

14. The Hong Kong Jockey Club Charities Trust (HKJCCT) will fund the capital cost of the project and all operational deficits until the CPS Compound project is financially self-sustainable. The CPS Compound will continue to remain in Government ownership and be leased to the HKJCCT. Government and the HKJCCT will enter into a Memorandum of Understanding (MOU) to define the mode as well as the terms and conditions of cooperation during the project implementation and operation stages.

Former Police Married Quarters (PMQ) on Hollywood Road

15. The Development Bureau and the Commerce and Economic Development Bureau jointly invited proposals for transforming PMQ on Hollywood Road into a creative industries landmark. Four proposals⁵ were received in June 2010. On the recommendation of the ACRHB⁶, SDEV has granted approval-in-principle for the proposal submitted by the Musketeers Education and Culture Charitable Foundation Limited (Musketeers Foundation). The selected proposal, which aims to create a new creative industries and design landmark in Hong Kong, is considered to be most capable of meeting the project objectives of conserving the heritage site, transforming it into a creative industries landmark and providing landscaped open space for the neighbourhood. It focuses on the design sector, which cuts across various creative industries, and targets at providing a platform for displaying products by designers and create-preneurs as well as a retail outlet for them. For the promotion of creative industries and implementation of the business strategy in becoming an iconic landmark, the project will provide studios for retailing creative products, an indoor multi-function activity hall, creative open space, a creative resources centre, rooms for artists-in-residence, an interpretation area displaying the remains of the former Central School, landscaped open area and other complementary commercial facilities such as food and beverage facilities. Details of the selected proposal is at Annex G.

⁵ One of the four proposals was an invalid one because the proposed adaptive re-use was of little relevance to the project objective of transforming the site into a creative industries landmark, and the application did not comply with some of the mandatory requirements stipulated in the Invitation for Proposals.

⁶ Four co-opted members with expertise in the creative industries were appointed to the ACRHB to assist in the assessment of the proposals received.

16. The Architectural Services Department (ArchSD) will carry out the revitalisation works for the selected proposal as a project under the Capital Works Programme. The Government has earmarked \$420 million for the project⁷. The Musketeers Foundation has set up a special purpose company (SPO) specifically for the implementation and operation of the project. Government will sign a tenancy agreement with the SPO on a fixed term of 10 years, renewable for another five years, to facilitate longer-term business planning for the operation of the project. Any net operating surplus arising from the operation will be shared between the operator and the Government every five years on a 50/50 basis. It is not an objective of the project to maximize profit and the Musketeers Foundation has committed to plough back its share of the net operating surplus for the operation of the creative industries landmark.

17. The CHO and ArchSD will work closely with the operator to finalise the project design and seek funding approval from the Legislative Council within the 2011-12 legislative session in respect of the conservation and revitalisation works to be undertaken by Government. Subject to funding approval, we aim to commence works in early 2012. The revitalised facilities of the site are expected to commence operation in 2014.

Haw Par Mansion (HPM)

18. We seek to ensure the long-term sustainability of our heritage sites and buildings through appropriate adaptive re-use of them. A diversity of revitalisation approaches, of which commercial use is one, would be considered on a case-by-case basis. As mentioned in our last progress report and in view of the commercial potential of the site, we plan to invite revitalisation proposals through open tender for the HPM, a Grade 1 building, to be put to commercial uses. The estimated up-front investment of the project is in the order of \$70 million, of which \$45 million would be for basic upgrading and renovation works that are required irrespective of the adaptive re-use of the premises. We expect to issue the tender shortly.

19. To provide an opportunity for the public to appreciate the historical and architectural value of the HPM, we organised a series of open days and guided tours for the site from late October to mid-November 2010. Public views on the preferred use of the site collected during the open days will be suitably reflected in the invitation for tenders for reference by potential tenderers.

⁷ The Musketeers Foundation will contribute for the project \$110 million, of which \$17 million will be for the revitalisation works. The remaining amount of the contribution will be for fitting-out and furnishings works, pre-operation staffing and other project-related expenses, as well as for the operation of the project.

20. The conservation of the HPM will be guided by a set of conservation guidelines in order to ensure the preservation of the historical and architectural value of the HPM. The successful bidder will be required to engage experts and produce a conservation management plan that fully meets the requirements of the conservation guidelines. The bidder will also be required to make arrangements to facilitate public access to the revitalized HPM.

King Yin Lei

21. King Yin Lei, a declared monument in a fine “Chinese Renaissance” style, was literally “saved” from demolition by the Government in 2008 through a non in-situ land exchange. Restoration works have been carried out since September 2008 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, and with the assistance of the AMO. Upon the expected completion of the restoration works by end 2010, we will consider the appropriate revitalisation approach taking account of various suggestions we have received about the future use of King Yin Lei. We will also organize open days/guided tours to enable the public to understand the heritage value of the monument buildings.

Publicity and Public Education

22. In 2010, we have organised a series of publicity and public education activities targeting at different sectors of the community. These activities include -

- (a) free guided heritage tours in Central and Tsim Sha Tsui for low-income families held from April to November 2010, with a total attendance of over 2 000 participants (over 500 families);
- (b) barrier-free guided heritage tours for the disabled to be organised from November 2010 to March 2011;
- (c) Tai Tam Waterworks heritage tours for schools and families to be organised from December 2010 to April 2011;
- (d) a teaching kit on heritage conservation for use by secondary school teachers of Liberal Studies has been produced and uploaded onto our heritage website (www.heritage.gov.hk). We will distribute hard copies of the teaching kit to all secondary schools in Hong Kong by end November 2010;

- (e) a heritage tourism expo will be organised on 4 December 2010. The exhibition will be roved to various locations until the second half of 2011. A guide book, featuring six routes to explore our rich built heritage across the territory, will be published to complement the exhibition;
- (f) a symposium on heritage tourism will be organised in collaboration with the Department of Architecture of the University of Hong Kong on 4 December 2010.

23. 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 received a total of 854 000 visits as at end October 2010 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.

24. The publicity and public education activities on heritage conservation in 2010 is estimated to attract over 120 000 participants.

ADVICE SOUGHT

25. Members are invited to note the latest position of various heritage conservation initiatives above and provide views on our future work.

**Development Bureau
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