

**Gist of Hong Kong Jockey Club's proposal of adaptive Re-use of
the Central Police Station (CPS) Compound**

Background

In early 2004, Government planned to invite the private sector through an open tender exercise to preserve, restore and develop the CPS Compound site 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.

2. 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

3. 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 10th Anniversary of the establishment of the Hong Kong Special Administrative Region (HKSAR). The details of HKJC's proposal are set out in paragraphs 4 to 7 below.

Development Parameters

4. 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 m² inclusive of the new iconic structure of about 7,100 m², 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.

Financial and Institutional Arrangements

5. 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.

6. 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.

Expected Timing

7. HKJC announced the key elements of its proposal within 2007 to tie in with the celebration of the 10th 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

8. 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.

9. 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.

Heritage Conservation and Promotion of Tourism

10. 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.

Development Parameters and Technical Feasibility

11. 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.

Financial and Institutional Arrangements

12. 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.

Public Consultation

13. Following announcement in the 2007-08 Policy Address that Government has accepted in principle HKJC's proposal, HKJC and the Administration organized a joint press conference on 11 October 2007. At the press conference, HKJC explained the key elements of the proposal and highlighted its readiness to engage the public in taking the project forward. The Administration also provided its preliminary views on the project. The Administration plans 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.

Development Bureau
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