



Revitalising Historic Buildings Through Partnership Scheme

Antiquities Advisory Board Meeting

20.11.2007

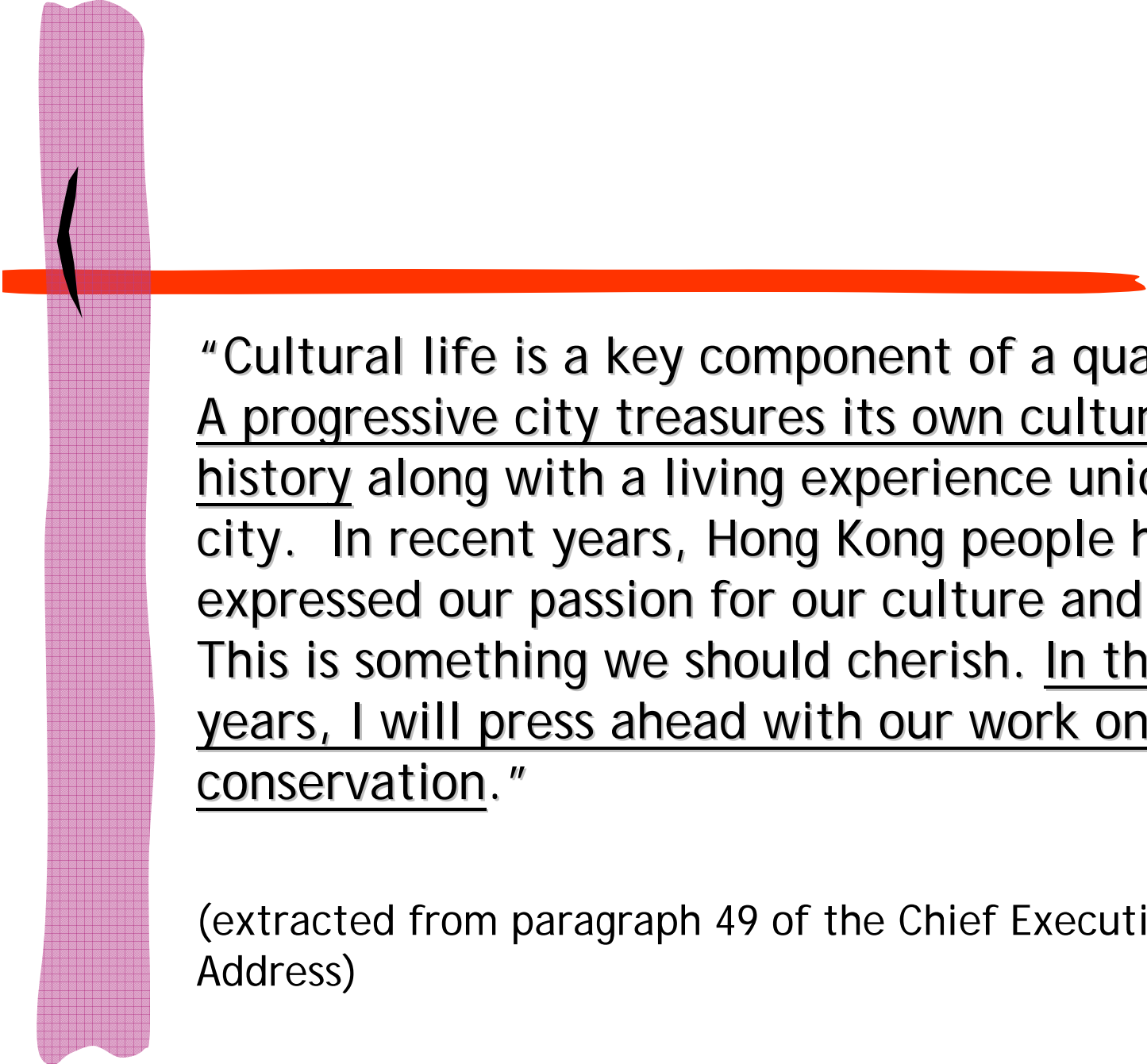


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Background Information/ Mode of Operation



“Cultural life is a key component of a quality city life. A progressive city treasures its own culture and history along with a living experience unique to the city. In recent years, Hong Kong people have expressed our passion for our culture and lifestyle. This is something we should cherish. In the next five years, I will press ahead with our work on heritage conservation.”

(extracted from paragraph 49 of the Chief Executive’s Policy Address)



Policy Statement on Heritage Conservation

"To protect, conserve and revitalise as appropriate historical and heritage sites and buildings through relevant and sustainable approaches for the benefit and enjoyment of present and future generations. In implementing this policy, due regard should be given to development needs in the public interest, respect for private property rights, budgetary considerations, cross-sector collaboration and active engagement of stakeholders and the general public."



New Heritage Conservation Initiatives (1)

- # To conduct heritage impact assessment for new public works projects
- # To implement the Revitalising Historic Buildings Through Partnership Scheme for Government-owned historic buildings
- # To provide economic incentives for conservation of privately-owned historic buildings
- # To facilitate maintenance of privately-owned graded historic buildings



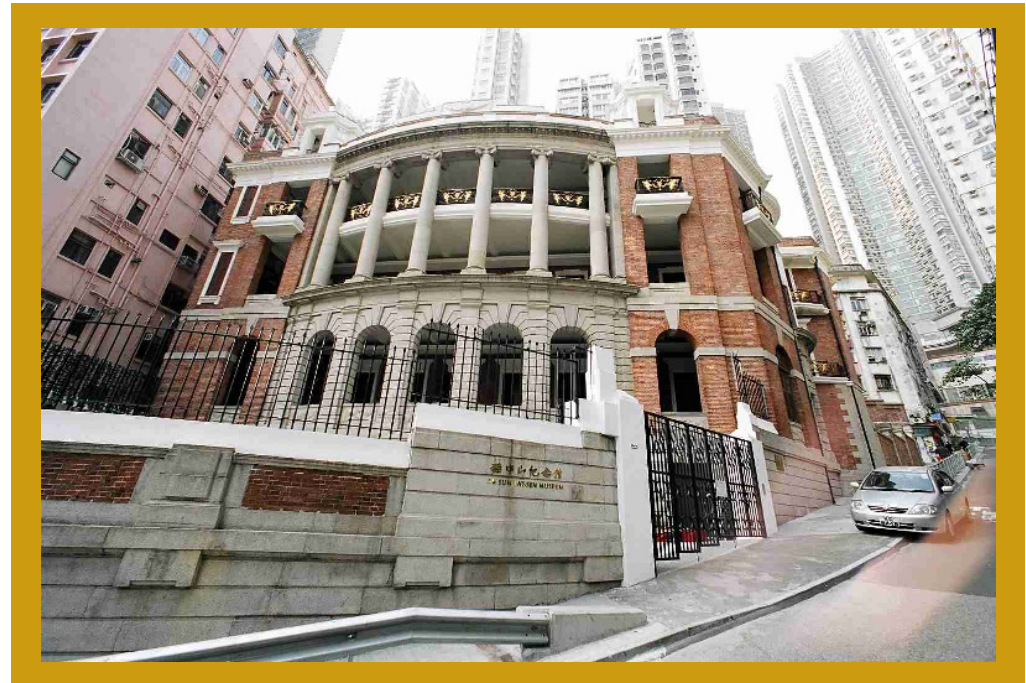
New Heritage Conservation Initiatives (2)

- # To establish an office of a Commissioner for Heritage
- # To set up dedicated teams in the Architectural Services Department and Buildings Department to support the adaptive re-use of historic buildings

Successful Examples of Adaptive Re-use (1)

Kom Tong Hall - Dr Sun Yet-sen Museum

- # Built in 1914
- # Had been home to a rich merchant
- # Under the care of the Church of Jesus Christ of the Latter-day Saints since 1960
- # Classified as Grade II historic building in 1990
- # Government acquired the building in 2004 at a cost of \$53 million
- # Restored and converted into Dr. Sun Yat-sen Museum in 2006



Successful Examples of Adaptive Re-use (2)

Bethanie - Heritage Campus of the Hong Kong Academy of Performing Arts

- # Built in 1875
- # Classified as Grade II historic building in 1981
- # Ownership transferred to Government in 1997
- # Now campus for the Hong Kong Academy of Performing Arts
- # Facilities open to the public:
 - Bethanie Chapel/Sir YK Pao Studio - available for weddings, concerts, corporate/private functions, fashion shows, dance and yoga classes
 - Wellcome Theatre - concerts, film screening



Revitalising Historic Buildings Through Partnership Scheme (1)

Objective of the Scheme

- # To preserve and put historic buildings into good and innovative use
- # To transform historic buildings into unique cultural landmarks
- # To promote active public participation in the conservation of historic buildings
- # To create job opportunities in particular at the district level

Revitalising Historic Buildings Through Partnership Scheme (2)

In drawing up the Scheme, we have considered whether we should adopt an open tender approach involving private enterprises in commercial operations (such as the ex-Marine Police Headquarters in Tsim Sha Tsui) or collaboration with a non-government organization (NGO) in the form of social enterprise (SE). We propose to adopt the SE approach on grounds that -

1. Historic buildings will require a very significant sum to renovate and maintain;

Revitalising Historic Buildings Through Partnership Scheme (3)

2. NGOs are not short of ideas in running SEs over these years with or without government financial support. The Scheme would provide an additional impetus to encouraging greater entrepreneurial spirit amongst NGOs;
3. With these adaptive re-use being of a non-profit-making nature, Government would find it easier to render funding and various support to help the buildings' revitalisation; and
4. Promotion of SEs to help create jobs at the local level is itself another pledge of the CE in his Election Manifesto. It is also in line with tripartite co-operation between Government, business and citizens in promoting SEs. Private businesses can also support such adaptive re-use in various forms.

Revitalising Historic Buildings Through Partnership Scheme (4)

Mode of Operation:

1. Government-owned historic buildings considered suitable for adaptive re-use would be identified for inclusion in the ARU Scheme (not all historic buildings are included in the Scheme, e.g. The Peak Café);
2. Non-profit making organizations (NPOs) that have acquired charitable status under Section 88 of the Inland Revenue Ordinance would be invited to submit proposals for the use of these buildings. They should come up with detailed plans to show how the historic buildings would be preserved and their historical significance be brought out effectively, how the SE angle would be satisfied and how the local community would be benefited;

Revitalising Historic Buildings Through Partnership Scheme (5)

Mode of Operation (cont'd):

3. Relevant District Councils would be consulted on the possible usages of the buildings;
4. A vetting committee (comprising Government and non-Government experts) would be set up;
5. On the technical side, Government would provide one-stop shop service for NPOs in the areas of heritage conservation, land use and planning, building architecture, and compliance with Buildings Ordinance. A secretariat will be set up to oversee the operation of the Scheme; and

Revitalising Historic Buildings Through Partnership Scheme (6)

Mode of Operation (cont'd):

6. We propose to provide various forms of financial support under the Scheme. These may include -

- a) Major renovation to the building in accordance with the proposal of the successful applicant

We propose that should there be a need, Government can bear the cost, in full or part, of renovating the building to suit the proposed usage of the successful applicant. In most cases, the renovation would be carried out by private architects/experts engaged by the NPOs. Where there is a need, Architectural Services Department will be involved;

- b) Nominal rental to be charged on the successful NPO

When a NPO's proposal has been accepted, amongst various things, the Administration (as the landlord) will enter into a legally binding tenancy agreement with it (as the tenant). However, in the light of the SE nature of operation, only nominal rental will be charged; and

Revitalising Historic Buildings Through Partnership Scheme (7)

Mode of Operation (cont'd):

- c) Financial assistance to be provided to the NPO selected to help it meet deficit (if any) arising in the initial two years of operation

Since the adaptive re-use has to be operated as SEs and the operating bodies are not for profit, we propose to extend to these SEs financial assistance to meet the starting costs and operating deficits in the initial two years, where justified, on the prerequisite that the SE proposal is projected to become self-sustainable after the first two years. The other requirement is that any surplus generated from the SE in future would have to be ploughed back to support the operation/expansion of the SE in accordance with the objective stated in the original application.



First Batch of Historic Buildings

1. Old Tai Po Police Station

Address: No. 11 Wan Tau Kok Lane, Tai Po, N.T.

GFA: 1 300 sq. m. (approx.)

Year Built: 1899

Grading: Grade II

Possible uses:

- Youth hostel
- Holiday camp
- Educational institute
- Arts and cultural village



1. Old Tai Po Police Station



2. Lui Seng Chun

Address: No. 119 Lai Chi Kok Road, Mong Kok, Kowloon

GFA: 600 sq. m. (approx.)

Year Built: 1931

Grading: Grade I

- Possible uses:
- Chinese medicine shop
 - Social services centre
 - Display centre



2. Lui Seng Chun



3. Lai Chi Kok Hospital

Address: No. 800 Castle Peak Road, Lai Chi Kok, Kowloon

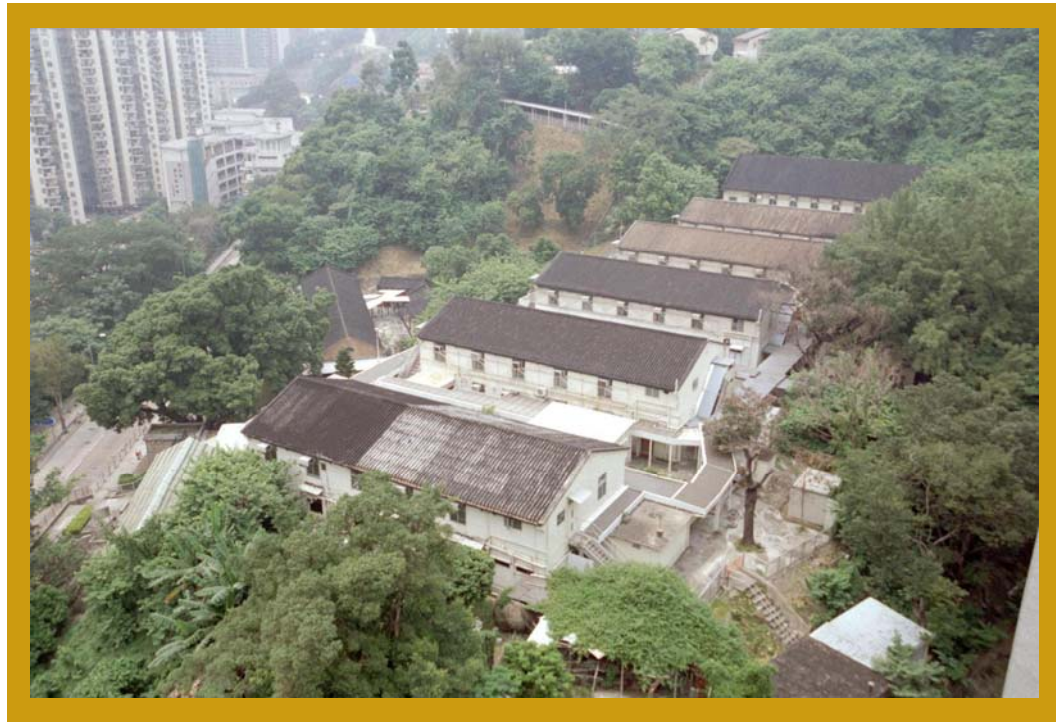
GFA: 6 500 sq. m. (approx.)

Year Built: 1921-1924

Grading: Grade III

Possible
uses:

- Holiday camp
- Hostel
- Arts and cultural village
- Educational institute



3. Lai Chi Kok Hospital



4. North Kowloon Magistracy

Address: No. 292 Tai Po Road, Sham Shui Po, Kowloon

GFA: 7 530 sq. m. (approx.)

Year Built: 1960

Grading: Not yet graded

Possible uses:

- Educational institute
- Training centre
- Antiquities and art gallery



4. North Kowloon Magistracy



5. Old Tai O Police Station

Address: Shek Tsai Po Street, Tai O, Lantau Island

GFA: 1 000 sq. m. (approx.)

Year Built: 1902

Grading: Grade III

Possible uses:

- Boutique hotel
- Café / museum
- Ecotourism



5. Old Tai O Police Station



6. Fong Yuen Study Hall

Address: Tin Liu Tsuen, Ma Wan, Tsuen Wan

GFA: 140 sq. m. (approx.)

Year Built: 1920-1930

Grading: Not yet graded

Possible uses:

- Small library
- Study room
- Community uses



6. Fong Yuen Study Hall



7. Mei Ho House

Address: Block 41, Shek Kip Mei Estate, Sham Shui Po, Kowloon

GFA: 6 750 sq. m. (approx.)

Year Built: 1954

Grading: Grade I

Possible
uses:

- Art Centre
- Youth hostel

(Mei Ho House is currently
under the Housing Authority)



7. Mei Ho House





Estimated Workflow

Workflow Overview

Estimated Date	Procedures
Late 2007 or Early 2008	Open days of the 7 historic buildings included in the Scheme
Around Feb 2008	Inviting applications The RHBTP Secretariat will distribute: <ol style="list-style-type: none">1. Applications forms;2. Application guidelines; and3. Information of the buildings, such as layout plans, conservation guidelines, etc.

Workflow Overview

Estimated Date	Procedures
Feb – May 2008	<p>Organisations to submit proposals</p> <ol style="list-style-type: none">1. Proposals should include the following:<ul style="list-style-type: none">• How the historic buildings would be preserved and their historical significance be brought out;• How the historic building would be renovated / altered;• How the historic buildings can be used to operate social enterprise and how the community can benefit from it.2. At this stage, applicants are only required to submit an initial design proposal (including the schedule of accommodation). Detailed technical submissions can be provided later.

Workflow Overview

Estimated Date	Procedure
May 2008	<ul style="list-style-type: none">• Close of application• First round of vetting conducted by Vetting Committee• Major vetting criteria:<ol style="list-style-type: none">1. How the historic building would be best conserved under various constraints;2. How the historic significance of the building can be brought out effectively in the process of adaptive re-use;3. The social value of the SE; in what way it can benefit the community, e.g. creating job opportunities at the district level; and4. In respect of financial viability, how the SEs can operate on a sustainable basis.

Workflow Overview

Estimated Date	Procedure
(cont'd)	<ul style="list-style-type: none">• In view of resource limitation, the vetting committee may not be able to process all the applications of the 7 historic buildings at the same time.• Upon completion of the first round of vetting, the RHBTP Secretariat will notify the selected applicant (may be one or more than one) that it can enter the second round of vetting so that it can prepare more detailed information of the project (e.g. supplementary information on financial and technical aspects).



Workflow Overview

Estimated Date	Procedure
July - Aug 2008	<u>Second round of vetting</u> In the second round of vetting, the applicant should demonstrate its overall ability to resolve the technical problems. If necessary, advice could be sought from Government departments (e.g. Antiquities and Monuments Office, Building Department and Architectural Services Department).

Workflow Overview

Estimated Date	Procedure
3 rd Quarter 2008	<p><u>Approval in Principle</u></p> <p>Successful applicants would be given approval in principle. If necessary, they may need to go through the following additional procedures:</p> <ul style="list-style-type: none">a) Change of town planning design — to submit application to Town Planning Boardb) Application for funding for renovation and adaptive re-use of building from the Finance Committee, LegCo — to be coordinated by Development Bureauc) Government and the applicant to discuss the drafting of the various contracts/agreements.

Workflow Overview

Estimated Date	Procedure
End 2008 *	<u>Formal Approval</u>

* If

- # the project is relatively simple;
- # there is only one or very few applicants for a historic building;
- # the renovation/alteration involved falls under the ambit of minor capital works project (under \$21 million);
- # the applicant will bear the cost of renovation/alteration in full without seeking any Government funding;

then the time required for the workflow may be reduced.



Points to Highlight

Interpretation of Social Enterprise (SE)


In interpreting what is a SE, we will adopt a more macro perspective.

Key criteria:


- a) Non-profit making - S. 88 of Inland Revenue Ordinance.
- b) Financial sustainability - comprises elements of 'enterprise' or 'business' which will generate revenue to sustain the operation.
- c) Social value - the contribution to the community as a whole e.g. in the areas of creation of job opportunities, or benefits from an educational, cultural, art or medical point of view.

Examples which can be Considered

	Uses	NPO	Financial sustainability	Social value
1.	Use for business/enterprise purpose by a NPO e.g. Chinese medicine clinic, café, etc.	✓	✓	✓
2.	Use for education purpose by a NPO which operates self-financing courses	✓	✓	✓
3.	Use as a fee-charging arts and culture centre offering courses / venues for performance by a NPO	✓	✓	✓
4.	Use as a youth hostel by a NPO which operates on a self-financing basis	✓	✓	✓



This represents our thinking at this point in time. Comments and suggestions are most welcomed to help refining the details of the Scheme.



If you have any comments,
please email to:

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