

Consultation Panel
of the West Kowloon Cultural District Authority

Minutes of the Twenty-Second Meeting of the Consultation Panel
of the West Kowloon Cultural District Authority

Date : 20 February 2017 (Monday)
Time : 2:30 p.m.
Venue : Board Room, West Kowloon Cultural District Authority,
Units 608-613, Level 6, Core C, Cyberport 3, 100 Cyberport Road,
Hong Kong

Members Present:

Chairman

Professor John LEONG Chi-yan, SBS, JP

Members

Mr Chris IP Ngo-tung

Mr Henry CHAN Chi-chiu, MH, JP

Mr CHOW Yick-hay, BBS, JP

Mr Andy HO Wing-cheong

Mr Derek HUNG Chiu-wah

Mr LAM Ying-kit

Professor Lena LEE

Ms Yolanda NG Yuen-ting, MH

Mr TANG Shu-wing

Ms Ada WONG Ying-kay, JP

Secretary:

Ms Maria LAU

Head, Secretariat Services,
Legal and Secretarial

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In Attendance:

Home Affairs Bureau (HAB)

Ms Angela LEE Chung-yan, JP

Deputy Secretary for
Home Affairs (2)

Mr Eric CHENG Siu-fun

Principal Assistant
Secretary for Home Affairs
(WKCD)

West Kowloon Cultural District Authority (WKCD)

Mr Duncan PESCOD, GBS, JP

Chief Executive Officer
(CEO)

Dr William CHAN

Chief Operating Officer
(COO)

Mr Richard TSE Kin-pang

Executive Director,
Finance

Ms Suhanya RAFFEL

Executive Director, M+

Ms Georgina WARD

Deputy General Counsel

Rocco Design Architects Limited

Mr Rocco YIM S K, BBS, JP

Executive Director

Absent with Apologies:

The Honourable Ronald ARCULLI, GBM, GBS, JP

Mr Christopher Wicky CHEUNG

Mr CHING Cheung-ying, MH

Mr NG Cheuk-yin

Mr Coleman WAI Ching

Opening Remarks

The Chairman welcomed Members, representatives of the West Kowloon Cultural District Authority (WKCD/ the Authority), Home Affairs Bureau and Mr

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Rocco YIM of Rocco Design Architects Limited to the Twenty-Second meeting of the Consultation Panel (CP).

Agenda Item (1) Confirmation of the Minutes of the Twenty-First Consultation Panel Meeting

2. The Chairman said that the Secretariat had not received any proposed amendment to the minutes from Members. As Members had no other comments, the minutes of the Twenty-First Meeting were confirmed.

(Mr TANG Shu-wing arrived at 2:35pm)

Agenda Item (2) Matters Arising

3. The Chairman said that there were no matters arising from the minutes of the last meeting.

Agenda Item (3) Update on the Development of the Hong Kong Palace Museum in the West Kowloon Cultural District (a presentation)

4. Mr Duncan PESCOD briefed Members on the progress update of the public consultation exercise on the Hong Kong Palace Museum (HKPM) project. In addition to the several consultation sessions organised for the arts and professional groups, a session for young people would be organised in conjunction with the Hong Kong Federation of Youth Groups. As of 19 February 2017, the HKPM exhibition at the City Gallery had drawn nearly 17 000 visitors, with 17 500 page views recorded for the HKPM public consultation website and 1 300 completed questionnaires received at the exhibition and online. The closing date of the public consultation exercise including the exhibition at the City Gallery for HKPM had been extended from 22 February to 8 March and the information in the exhibition had been updated.

5. During this period, Mr Duncan PESCOD would attend an open forum - "Hong Kong Palace Museum at West Kowloon plus Valuable/ Interesting Exhibits"

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organised by the International Institute of Management on 25 February 2017 as a speaker.

(Ms Ada WONG arrived at 2:40pm)

6. By way of a PowerPoint presentation, Mr Rocco YIM briefed Members on the HKPM design with details further to the previous CP meeting. Referencing to the spatial configuration of the Forbidden City in Beijing, the HKPM design would comprised two main elements – “layer” and “sequence” – using atriums in creating a sense of vertical spatial sequence throughout different levels (layers). In the conceptual design, the 7-storey HKPM building would consist of exhibition galleries, educational facilities, office, storage and workshops, bookshop and restaurant with a Net Operational Floor Area of 17 340 square metres. In addition, the grand stair leading to the HKPM might be turned into an outdoor performance venue taking into account the advice of the Harbourfront Commission of bringing diversity and vibrancy to the harbourfront.

7. Mr Henry CHAN enquired about the walking distance from the HKPM to the nearest public transport interchange.

8. Mr Rocco YIM replied that it would take around 10 minutes to walk from the HKPM to the nearest bus stop at Western Harbour Crossing, and via the footbridge connecting the Art Park and Elements in the future.

9. Mr Duncan PESCOD added that a holistic plan for an in-district transportation system, a ferry pier and an interfacing car park to facilitate the connections within WKCD was under review.

10. The Chairman asked how the WKCD would be connected to the MTR transportation system.

11. Mr Duncan PESCOD responded that there would be direct connections to the nearby MTR stations (including an underpass to the Austin Station of the West Rail Line and a new “Artists Square Bridge” to the Kowloon Station of the Tung

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Chung Line and the Airport Express). Links to the existing bus and minibus routes, together with the proposed in-district transportation system would further enhance the WKCD's connectivity.

12. Mr Derek HUNG agreed with the importance of enhancing the WKCD's connectivity by public transportation and suggested that an overall traffic planning study should be undertaken. In addition, he also showed appreciation of the HKPM design concept and its interactions with the surrounding environments.

Action
WKCD A

13. Mr Duncan PESCOD replied that a traffic impact assessment study was underway. To enhance the existing transportation system, WKCD A was discussing in-district transportation services and extension of minibus routes with the Transport Department.

14. Ms Ada WONG enquired about the coherence between the HKPM and the Art Park in terms of style of design and whether the Art Park would be downsized due to the presence of the HKPM

15. Mr Rocco YIM answered that the site area reserved for the HKPM and the Exhibition Centre would be equivalent to that originally planned for the co-located Mega Performance Venue and Exhibition Centre. Hence, the design of the Art Park would remain largely the same except for the addition of a walkway leading from the Art Park to the HKPM.

16. Mr Duncan PESCOD supplemented that construction of the Art Park was underway. There may be a need to modify the planting to facilitate the design of the HKPM. However, he emphasised that the design of the 2-kilometer promenade would remain coherent throughout the Art Park and the waterfront area adjacent to the HKPM.

17. Ms Ada WONG asked if a curatorial team was involved in determining the allocation of exhibition space and the rationale for the allocation of a large proportion of the space for permanent exhibition in the HKPM.

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18. Mr Duncan PESCOD responded that based on their experience and understanding of the general requirements of a museum, the Architectural Services Department, the Leisure and Cultural Services Department (LCSD) together with the M+ team helped draw up the space allocation proposal. The M+ team would capitalise on their museological experience and provide their advice on the curatorial requirements for the HKPM before the HKPM's curatorial team was formed.

19. Ms Suhanya RAFFEL stated that it was necessary to have a professional curatorial team specialising in antiquities and historical Chinese culture for the HKPM but in the interim she would lead the M+ team in overseeing the HKPM project. She also facilitated the discussion between advisors from LCSD and Mr Rocco YIM on different configurations for the museum. It was targeted that there would be one theme for permanent exhibition and three major themes for temporary exhibitions every year in the HKPM.

20. Mr Duncan PESCOD echoed that details of long-term loan strategy for the artefacts were set out in the Memorandum of Understanding of Co-operation and would be finalised in the Collaborative Agreement.

21. Ms Ada WONG asked whether the proposed interior layout in fixed sizes and the white-cube design would limit the creative and innovative presentation of artefacts from the Palace Museum before the formation of a curatorial team.

22. The Chairman concurred that it was an important design issue that needed to be addressed.

23. Mr Duncan PESCOD opined that the architectural design of the HKPM could be further refined. However, the more important issue was how the HKPM would showcase the artefacts from the Palace Museum in terms of their connection with Hong Kong within its historical context with the Mainland. Furthermore, application of new technologies such as augmented reality would also be considered to enhance the presentation of the exhibits.

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24. Ms Ada WONG asked whether the artefacts from the Palace Museum would be on loan or acquired by the HKPM.

25. Mr Duncan PESCOD answered that a loan policy for the HKPM in relation to the collection of the Palace Museum would be developed as a top priority.

26. In response to the Chairman's enquiry, Mr Rocco YIM advised that changes could possibly be made to the size of the exhibition galleries and the interior layout subject to cost and time implications.

27. The Chairman advised that the comments and suggestions by Members should be taken into consideration while developing the detail design of the HKPM.

Action
WKDA

28. Professor Lena LEE expressed appreciation of the distinct landscape viewed from different directions within the HKPM, and suggested incorporating the harbour view in the HKPM design. Noting the estimated 10-minute walk from the HKPM to the nearest public transport interchange, she suggested that other measures to enhance the facility accessibility, such as providing a convenient drop-off point for rebus, a spacious main entrance lobby with wheelchair and stroller rental services, and elevators with larger capacity to accommodate more wheelchair users, should also be considered.

29. Mr Rocco YIM said that he would consider the suggestions regarding accessibility by Professor Lena LEE. Striking a balance between providing sufficient usable area and taking advantage of the view of the harbour from the HKPM building, the concept of "framing" the landscape was proposed in the HKPM design.

(Mr Chris IP left at 3:30pm)

30. Mr Andy HO appreciated the proposed HKPM design in particular the interactions between the architecture and its surrounding environments, as well as the creation of a dynamic and free space where the young people could enjoy. He opined that public engagement and participation was important for fostering a sense

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of ownership for the project.

31. On public engagement, Mr Duncan PESCOD remarked that a period of two months would be reasonable for conducting a public consultation exercise. In addition to the ongoing public consultation, he added that the Authority had taken a proactive approach to encourage wider public participation by programmes such as Freespace Happening, Rising Stars of Chinese Opera and the latest exhibition at the M+ Pavilion featuring gender in popular culture, which were popular among the young people, family and children.

32. Mr CHOW Yick-hay highlighted the importance of long-term planning of the Authority on the community engagement strategy for the WKCDA and the provision of accessible services/ facilities for the elderly and the disabled in HKPM. He also was concerned about the design of the HKPM in the absence of inputs from a curatorial team as well as its operating cost in the long run. He suggested re-visiting the themes and facilities after reviewing the neighbouring museums in the Yau Tsim Mong District holistically.

33. Mr Duncan PESCOD answered that the Authority would undertake fundraising and sponsorship programmes to help finance the continuous development of the arts and cultural ecosystem through collaboration among the arts and cultural organisations.

34. Stressing that a curatorial team was the soul of a museum design, Ms Ada WONG suggested that a transition team could be formed by LCSD curators who had experience in collaborating with the Palace Museum on the exhibitions of its artefacts in Hong Kong. She was also concerned about the insufficient provision of storage and learning facilities and the lack of engagement with the younger generation.

35. Mr TANG Shu-wing emphasised that there should be a balance between traditional and contemporary culture. Youngsters should learn to respect the traditional culture and to pass it on to the next generation.

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36. Mr Derek HUNG enquired about the necessity to include the word “culture” in the Chinese name of the HKPM.

37. The Chairman agreed that there would be further discussion on the positioning and branding of the HKPM especially from the perspective of the younger people.

(Mr Rocco YIM left at 3:50pm)

Agenda Item (4) Update on the financial situation of the West Kowloon Cultural District Project (WKCDA CP/02/2017)

38. Mr Richard TSE updated the Members on the financial situation of WKCDA and the details of the enhanced financial arrangement (EFA). The Authority was facing financial challenges because of various unforeseeable changes including a substantial upsurge in construction costs (by 137%) from Q3 2006 to Q3 2016, a significant decline in investment return and the prolonged planning and public engagement process. In light of this situation, the Government had approved the EFA whereby the Authority would be granted the development right of the entire hotel/ office/ residential (HOR) portion of the WKCD. Under this arrangement, the Authority would be able to (i) develop the HOR through Build-Operate-Transfer (BOT) agreements with private sector partners; (ii) tender out a BOT package of the Exhibition Hub Development Area (EHDA) comprising the Exhibition Centre, rental offices and hotel(s); (iii) share the income generated from the HOR and EHDA development packages; and (iv) leverage on the developments for financing so as to develop the planned core and other arts and cultural facilities including the Music Centre. Benefited by this arrangement, the Authority would be able to operate in a long-term sustainable manner and continue to develop the WKCD under an organic growth approach.

39. Mr Derek HUNG opined that the EFA might be a viable financial arrangement for the Authority but he suggested that the Authority should disseminate the information in a transparent and timely manner.

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(Mr CHOW Yick-hay left at 3:55pm)

40. Professor Lena LEE enquired about the income sharing ratio between the Authority and the private developers under the BOT agreement. She also asked if the Authority had undertaken any cost reduction measures.

41. Mr Duncan PESCOD stressed that the Authority had taken a transparent and cost-conscious approach in allocating public resources. Manpower resources planning and value for money audit of its programmes were in place to tighten controls.

42. The Chairman asked about the projected timeframe regarding the estimation of an average operating deficit of \$500 million per annum, and an annual retail/ dining/ entertainment (RDE) income of \$550 million.

43. Mr Duncan PESCOD responded that on the one hand, the operating deficit would increase significantly soon after the facilities were in operation, starting from the opening of the Xiqu Centre next year. On the other hand, WKCD would accord priority to the development of the Exhibition Centre through public-private-partnership (PPP) and the development of the Music Centre, and it was expected that income would be generated by the embedded RDE.

44. Ms Ada WONG was concerned that the Authority would become a property developer under the EFA (like MTR Corporation) shifting its focus from the development of arts and culture to leasing, hotel and estate management. To fulfil its mission of fostering art and cultural development in Hong Kong, application for government funding to support the work of the Authority would be more a desirable option.

45. Mr Duncan PESCOD emphasised that the Authority would not become a property developer as it would only tender out parts of the WKCD development to the property developer. Moreover, arts and culture would remain the core competency of the Authority as a large number of staff were working in the Performing Arts and M+ teams.

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46. The Chairman opined that in the long run, the Authority should not depend on funding from the government but it should be able to operate on a self-financing sustainable model.

47. Mr Duncan PESCOD stated that it had been the Government's plan to vest the RDE part of the commercial sites in WKCD in WKCDA to provide it with a steady source of recurrent income through rental proceeds to meet the operating deficits of the core arts and cultural facilities and related facilities on a self-financing sustainable model. However, the upfront endowment of \$21.6 billion and the recurrent income through rental proceeds from the RDE part were found to be inadequate to cover both the capital and recurrent costs.

48. The Chairman welcomed opinions from the Members. He opined that that the Authority's financial situation should continue to be monitored by the Government and LegCo.

49. Given the plot ratio and building height restrictions set out in the Development Plan, Mr Derek HUNG opined that the Authority would not become a property developer. He also suggested that a better human resources management plan should be in place and internal promotion to fill the vacant senior posts should be encouraged.

50. Mr TANG Shu-wing asked if there was any plan for the Authority to face a structural deficit in the future, which was quite common in other arts groups which relied heavily on external funding.

51. Mr Duncan PESCOD responded that the EFA would provide the Authority with adequate financial capability to develop in a viable and organic growth approach given its right to retain the ownership of all the land and premises.

52. Mr LAM Ying-kit enquired about the development plan for the remaining facilities set out in the paper, such as the Great Theatre, Medium Theatre I and two black box theatres.

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53. Mr Duncan PESCOD explained that the Authority would consider building these remaining facilities after the development of the Music Centre.

Agenda Item (5) Any Other Business

54. Given the importance of street performance in creating an art and cultural atmosphere for the general public, Professor Lena LEE suggested that the Authority should collaborate with the academia to develop training programme, and utilise the public space for performance with reference to South Bank and Convent Garden.

55. Mr Duncan PESCOD responded that the Authority had been collaborating with local arts groups and the academia, such as Youth Outreach for hip hop performance and the University of Hong Kong for curatorial training.

56. The Chairman took the opportunity to thank Members who would be retiring from the CP for their hard work and contribution to the CP over the past years. He also invited Members to join the second event under the community engagement project, “Kwai Tsing Daily @ West Kowloon”, to be held on 26 February 2017.

57. There being no other business, the meeting was adjourned at 4:30 p.m.

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