

**For Discussion
on 17 December 2012**

**Legislative Council Panel on Development
Progress Report of Energizing Kowloon East Office
and its Continuing Operation**

PURPOSE

This paper updates Members on the progress made under the policy initiatives of Energizing Kowloon East (EKE), and seeks Members' views on the continuing operation of the Energizing Kowloon East Office (EKEO) in the Works Branch of the Development Bureau.

BACKGROUND

2. The Hong Kong 2030: Planning Vision and Strategy (The HK2030 Study), completed in Oct 2007, provides a long-term planning strategy to guide future development and provision of strategic infrastructure of Hong Kong. The HK2030 Study has emphasised the importance of maintaining a steady and adequate supply of prime offices and recommended appropriate planning measures to support economic growth in the long run. As recommended in the Study, the Administration will continue to consolidate and enhance the existing Central Business District (CBD), while exploring new quality office nodes outside the traditional CBD.

3. The 2011-12 Policy Address announced that the Government will adopt a visionary, coordinated and integrated approach to expedite the transformation of Kowloon East (KE), including Kai Tak Development (KTD), Kowloon Bay and Kwun Tong, into an attractive, alternative CBD to support Hong Kong's economic development. The Administration is drawing up development strategies to facilitate the transformation of KE into a premier business district with the potential for providing an additional office floor area of 4 million square metres. At the Meeting of the Panel on Development (the Panel) held on 19 December 2011, we introduced to Members the initiative of EKE which was well-received by Members. On 16 January 2012, we gained the support of

the Panel for the setting up of an initial Kowloon East Development Office (KEDO) for one year and the creation of two supernumerary directorate posts of Principal Government Town Planner (PGTP) (D3) and Government Architect (GA) (D2) for one year with effect from 1 July 2012 to head the KEDO. The proposal was approved by the Finance Committee (FC) on 20 April 2012. We undertook to consult the Panel again before end of the first-year duration and seek the approval of the Establishment Sub-committee (ESC)/FC on the longer-term set-up of KEDO.

4. The preparatory team of KEDO was set up in February 2012 to embark on the immediate tasks of transforming KE. In June 2012, a dedicated EKEO was set up to steer, supervise, oversee and monitor the transformation of KE into another attractive CBD. KEDO was renamed as EKEO to better reflect our initiatives and vision to energize KE into a vibrant business area. To facilitate the urban transformation process, EKEO is also a pioneer in applying the “place-making” approach which is an integrated strategy for planning, design, implementation, management and community engagement to create quality public spaces for the enjoyment of the people and improvement of the pedestrian environment.

PROGRESS OF WORK

5. Since the setup of the preparatory team in February 2012, EKEO has proactively carried out community engagement, published the Conceptual Master Plan version 2.0 (CMP 2.0), kick-started urban improvement works and place-making projects, initiated studies and established an administrative framework to provide one-stop service to facilitate implementation of both private and public sector projects.

Public Engagement

6. Subsequent to the set up of the preparatory team, EKEO has met and consulted stakeholders, including professional institutions and District Councils of Kwun Tong, Wong Tai Sin and Kowloon City to collect their views on EKE. Various public engagement activities including briefings, public workshop, artist workshop, place making forum, international seminars and international exhibitions have been organised with more than 1,800 participants. Up to end

November 2012, we have organised a total of 39 number of briefings, seminars, workshops, forums, conferences and exhibitions. Apart from the above engagement activities, there is a total of 32 number of organisations and about 1,800 delegations/ visitors from 20 different countries visited EKEO. The details of the public engagement events held are listed in **Enclosure 1**. As revealed from the visits and the engagement activities, there is strong support and interest from stakeholders and the general public in this initiative with high expectation for the early transformation of KE.

Conceptual Master Plan Version 2.0

7. Since our issue of the first Conceptual Master Plan (CMP) in October 2011, which focuses on enhancing **C**onnectivity, **B**randing, **D**esign and **D**iversity (CBD2) in KE, the CMP has been further evolved, enriched and refined by taking on board suggestions received during the on-going public engagement process. We published the CMP 2.0 in June 2012 as attached in **Enclosure 2**. This is a framework for –

- (i) improving integration within KE, and also between KE and its neighbouring areas;
- (ii) building a pedestrian-friendly environment with attractive streetscape and urban greening;
- (iii) place-making, promoting quality urban design and innovative architecture, creating vibrant public space, bringing people to the waterfront, inviting arts and culture to city life; and
- (iv) transforming KE into another premier CBD – a place where people would like to work, to do business, to walk, to stay and to play.

8. In response to the comments received from the general public and stakeholders, we have formulated ten main tasks to be taken forward by EKEO, as outlined in the CMP 2.0. These tasks aimed at enhancing connectivity, improving environment and releasing development potential in KE –

Enhance Connectivity

(i) Task 1: Enhance integration of CBD

To enhance connectivity and integration within KE, the Civil Engineering and Development Department (CEDD) is studying the development of an Environmentally Friendly Linkage System (EFLS) as a modern and convenient intra-district connector between KTD, Kowloon Bay and Kwun Tong. CEDD has completed the Stage 1 of a two-stage public engagement exercise in October 2012 in regard to the findings of the feasibility study on EFLS and to gauge their views on the proposal. Comments and suggestions received during the Stage 1 public engagement are being analysed whilst further surveys and studies are being conducted to address the key issues. We plan to launch the second stage of public engagement and consult the Panel in the second quarter of 2013 on the proposed way forward for EFLS taking into account public views received.

(ii) Task 2: Enhance pedestrian connectivity and streetscape in Kowloon Bay

For a better accessibility from Kowloon Bay Mass Transit Railway (MTR) Station to Kowloon Bay Business Area (KBBA) and further to the waterfront of the KTD, we are commissioning a feasibility study to examine improvement required for the pedestrian environment at KBBA. The consultant selection exercise is currently in progress. The study is anticipated to commence in early 2013 for completion around end 2014. We will coordinate efforts of all relevant departments for a prompt implementation of short-term proposals identified in the study. For medium to long-term proposals, we may need to formulate an implementation plan with the relevant departments and conduct further studies if necessary. We will also take advantage of the opportunity brought by private developments within Kowloon Bay in enhancing the pedestrian connectivity and streetscape.

(iii) Task 3: Enhance pedestrian connectivity with Ngau Tau Kok MTR Station

We plan to examine possibilities to enhance connection between the inland and the waterfront. We are exploring the opportunity in

converting the government site at the northeast of the Hoi Bun Road Park as a connectivity hub linking the Ngau Tau Kok MTR Station with the waterfront.

(iv) Task 4: Enhance pedestrian connectivity with Kwun Tong MTR Station

We have established an inter-departmental traffic focus group with the Transport Department and the Highways Department to work out short-term road improvement measures. Measures including widening of footpath, addition of pedestrian crossings and adjustment of traffic signals have already been put in place and are serving the public while others will be implemented shortly in a progressive manner. Medium and long term improvement works will be further studied, such as examining possible options of pedestrian links along Hoi Yuen Road taking into account possible alignment of the proposed EFLS.

Improve Environment

(v) Tasks 5 and 10: Face-lifting of and bringing vibrancy to the Kwun Tong Waterfront

We have derived a comprehensive revitalisation strategy for the Kwun Tong waterfront, including both the water bodies and the waterfront area. Kwun Tong Waterfront Promenade Stage 2 will commence construction in early 2013 for completion around end 2014. We will explore turning the unused land underneath the Kwun Tong Bypass into informal venue for arts/ cultural activities. EKEO will manage a portion of the land for holding events. We are also planning for enhancement of Hoi Bun Road as a tree-lined boulevard with enhanced urban greening and streetscape, and converting Hoi Bun Road Park as Kwun Tong Waterfront Park with direct linkage to the future waterfront. These revitalisation measures will bring more vibrancy and attraction to the waterfront.

(vi) Task 6: Face-lifting of Tsun Yip Street Playground

We will convert Tsun Yip Street Playground into Kwun Tong Industrial Heritage Park and an inviting place for activities bringing liveliness to the business area. We also plan to prepare master plans to guide the

improvement of Tsun Yip Street area with focus on enhancing street vibrancy and pedestrian environment. Currently, we are jointly organising a weekly carnival ‘Playful Thursday’ with Agriculture, Fisheries and Conservation Department and Kwun Tong District Council at Tsun Yip Street Playground up to 10 January 2013. As at end November 2012, up to 20,000 people have participated in the event. This is one of our place-making events for changing the people’s perceptions and habits in the use of this public space.

(vii) Task 7: Convert King Yip Street Nullah to Tsui Ping River

We plan to convert the existing nullah into a “river” with environmental, ecological and landscape upgrading without compromising its storm-water discharge function in collaboration with the Drainage Services Department. We will prepare master plan to guide the improvement of King Yip Street area with focus on enhancing street vibrancy and the better use of two government sites currently reserved for provision of a lorry park and a multi-storey carpark with commercial facilities.

Release Development Potential

(viii) Task 8: Release the long-term development potential of Action Area 1

We are identifying possible relocation sites for the existing government facilities in Action Area 1 at Kowloon Bay including the vehicle examination centre and waste re-cycle centre. We will proceed to carry out a study on the potential of this Action Area for mixed development with offices, exhibition/conference facilities, hotel/service apartments and retail/entertainment outlets to bring vibrancy to KE.

(ix) Task 9: Release the long-term development potential of Action Area 2

We plan to carry out a study on the development options of Action Area 2 with its potential to integrate with Kwun Tong Waterfront and Kai Tak Runway Tip. We will examine a diversified mix of development including small offices, artist workshops, entertainment, gallery and specialty retail and restaurants in this Action Area.

9. Apart from the ten main tasks, EKEO has completed/is proactively carrying out the following tasks –

- (i) 26 existing directional signs in KE have been changed from “Kwun Tong Industrial Area” to “Kwun Tong Business Area” in August 2012.
- (ii) We have reviewed a total of 41 existing signalized traffic junctions in Kowloon Bay and Kwun Tong. Out of these 41 junctions, 21 of them have been improved whereas the other 20 junctions were found satisfactory and no improvement is required at this stage.
- (iii) We are promoting more urban greening in KE. Trees and shrubs have been planted along Lai Yip Street, Hoi Bun Road and various locations in KE. We are coordinating with other departments to further enhance existing road side greening in KE.
- (iv) We are converting one of the unused sites underneath Kwun Tong Bypass to an informal venue called “Fly the Flyover Operation 1” for arts and cultural activities. The first place-making event “Youth Band Marathon” will be conducted on 20 January 2013. More coming events are being arranged on this site in 2013/14.
- (v) We have commissioned an industrial heritage and urban design study in December 2012 to collect and record the industrial development history of KE and to translate it into urban design elements, public arts and other forms of displays as an overriding design theme in improving spaces in the public realm.

DIRECTION TO TAKE FORWARD THE INITIATIVES

10. EKEO will continue to adopt the visionary place-making approach to push ahead the EKE initiative. We will continue to engage the stakeholders and collect valuable views and suggestions from the public through workshops, forums, conferences, exhibitions and media briefing/interviews.

11. We will take on board suggestions received during the on-going public engagement process, push ahead with various area improvement projects, and continue to enhance/ upgrade the CMP.

12. We are taking forward the place-making events and consultancy studies including area improvement works, industrial heritage studies, branding activities such as carnivals, arts and musical performances, exhibitions, visits, etc. aiming at creating a new walkable, sittable, stayable and playable “place” in KE.

13. Apart from the above, we are also pressing ahead the following tasks –

- (i) identify opportunities for urban greening and streetscape improvement, and facilitate the implementation by consolidating effort and resources of all relevant government departments;
- (ii) develop active dialogue with property owners and business operators to identify and implement measures on traffic improvement, pedestrian linkage provision, street vibrancy enhancement including place-making activities;
- (iii) review proactively the development and design options of the undeveloped/ under-developed government sites with guidance of the CBD2 strategy; and
- (iv) promote KE as a low carbon district by close collaboration with the Hong Kong Green Building Council and other stakeholders.

14. EKEO will continue to provide one-stop coordination and advisory service to land development proposals of private sectors and explore incentives for redevelopment and conversion proposals to facilitate the transformation of the old industrial area into CBD2. Being a task oriented office, we have already formed various working groups and task forces with other departments to take forward the initiative and resolve issues at a higher level.

15. EKEO has set up an official website (www.ekeo.gov.hk). Members are welcome to browse through the website for information on the latest progress of the EKE projects and events.

CONTINUING OPERATION OF EKEO

Need for EKEO

16. Latest figures from the Rating and Valuation Department showed that in 2011 KE alone contributed about 45 per cent of new office supply in Hong Kong. We envisage that such a high percentage share will sustain. It is estimated that about 30 per cent and more than 50 per cent of the total new office supply in 2012 and 2013 respectively will be from KE. The momentum of EKE is very clear.

17. EKEO is set up to expedite the transformation of KE into an attractive, alternative CBD to support Hong Kong's economic development. Since its formation, we have received strong support from the community for the dedicated EKEO to continue taking forward the initiative as the "place-maker" and advocate the CMP as well as to continuously engage relevant stakeholders in facilitating the transformation of KE.

18. The characteristics of KE are fundamentally different from some overseas examples including the London Canary Wharf and Singapore's Marina Bay of which the land involved are under the full control of a dedicated authority responsible for undertaking the development. The authority is empowered to take lead in the phasing and implementation programme of the development. KE includes a new development area and two ex-industrial districts comprising many old industrial buildings under multiple ownerships. The transformation of KE is a delicate balance between facilitating new development while maintaining the existing economic vibrancy. Although the transformation process of KE is mainly market driven, facilitation by the Government through timely improvement to existing infrastructure and introduction of appropriate policy measures are necessary. A dedicated office with multi-disciplinary expertise housed under the existing government structure is therefore required to deliver this initiative effectively.

Proposed Structure of EKEO

19. The work of EKEO is multi-disciplinary and wide-ranging. It involves planning, land use, building, architectural and landscape design, civil engineering and traffic engineering. This multi-disciplinary team works

effectively under the one-stop approach during the past year providing extensive and integrated visionary planning, design and engineering inputs under the leadership of professional officers from the Town Planner and Architect grades. We propose to maintain this organisational structure for four more years up to 30 June 2017 with further review to be conducted before the end of the four-year period.

20. Currently, EKEO is put under the Works Branch of DEVB and headed by a PGTP (D3) (designated as Head of EKEO) and assisted by a GA (D2) (designated as Deputy Head of EKEO). They are underpinned by 18 civil servants/ non-civil service contract staff forming a multi-disciplinary team of town planner, architect, landscape architect, engineer as well as technical and administrative support staff. The proposed structure of EKEO is at **Enclosure 3**. Under the steer of the Head and Deputy Head of EKEO, the four teams under the same roof will continue to provide dedicated professional inputs on planning, architectural, engineering and project facilitation work in an effective and integrated manner. The areas of work of the four teams are set out below –

- (i) Place Making (Planning) Team: headed by a Senior Town Planner (designated as Senior Place Making Manager (Planning)) to provide planning input on the planning studies, community engagement, updating of the conceptual master plan, land use planning review, etc.;
- (ii) Place Making (Design) Team: headed by a Senior Architect (designated as Senior Place Making Manager (Design)) to provide professional input in urban design, architectural creativities and innovations, greening and landscape, etc.;
- (iii) Works Consolidation Team: headed by a Senior Engineer (designated as Senior Works Consolidation Manager) to provide professional input on the coordination of traffic/pedestrian studies and other infrastructural enhancement/development as well as projects implementation; and
- (iv) Project Facilitation Team: headed by a Senior Architect/ Senior Estate Surveyor/ Senior Solicitor (designated as Senior Project Facilitation Manager) to provide professional advice and

coordination with government bureaux/ departments to facilitate processing of land development proposals from the private sectors.

Need for Directorate Support

21. The making of KE as Hong Kong's premier alternative CBD is a complex and long-term urban transformation process. Given the nature of the challenges ahead, EKEO needs to be headed by sufficiently senior personnel to ensure an effective communication with both the public and private sectors in pursuing the various initiatives under EKE. Apart from having a high level of leadership and organisational capabilities, both the Head and Deputy Head of EKEO should possess vision, versatility and creativity to spearhead the work of EKEO competently. In particular, the Head of EKEO should have strong strategic planning capability to facilitate the transformation of KE and provide visionary directive to lead the overall development of KE in the long term. The Deputy Head should possess expertise in implementation and coordination capability for consolidating efforts of different government bureaux/departments and to ensure a smooth operation of EKEO. We therefore propose to extend the existing two supernumerary directorate posts of PGTP (Head of EKEO) and GA (Deputy Head of EKEO) for four years up to 30 June 2017 to provide dedicated support at the directorate level to take forward the EKE initiative. We will continue to review the work of EKEO and its staff complement having regard to the progress of the initiative as well as the operational experience, and consider the long-term need of the office before end of the four-year period. We propose to seek the approval of ESC and FC in February 2013 and May 2013 respectively on the above directorate staffing proposal.

Support of Multi-disciplinary Team

22. As mentioned in paragraphs 7 to 9, EKE initiative entails work ranging from strategic planning, urban design, development facilitation, co-ordinating place-making events and consultancy studies. In the future set-up, we propose to maintain the four different professional teams. The mix of knowledge and experience of the teams will better equip EKEO to consider issues in a comprehensive and coordinated manner and deliver the EKE initiative holistically, competently and efficiently.

23. We have looked into the feasibility of redeploying existing staff at the D3 and D2 levels of DEVB to take up the work of EKEO, but consider it not feasible as all teams are fully engaged with their existing portfolios with no spare capacity for this important large-scale complex policy initiative to support the long-term economic development of Hong Kong.

Interface between EKEO and Kai Tak Office

24. KTD is actively continuing with its engineering implementation phase under the Kai Tak Outline Zoning Plan. Whilst the established Kai Tak Office under CEDD will continue to assume its role in delivering infrastructural projects under KTD, EKEO has been and will continue to focus on the strategic planning of KE including KTD. Each office has its own clearly defined ambit of work and the two offices will continue to collaborate closely in taking forward various important tasks for the development of KE.

FINANCIAL IMPLICATIONS

25. To maintain the provision for the Head of EKEO and Deputy Head of EKEO posts for four years up to 30 June 2017, we will require an additional notional annual salary cost at mid-point of not exceeding \$3,664,800, as follows-

<u>Rank</u>	<u>NAMS(\$)</u>	<u>No. of post</u>
Creation of supernumerary directorate posts from July 2013 to June 2017		
Head 159 GS: DEVB(WB)		
D3 Principal Government Town Planner	1,968,600	+1
D2 Government Architect	1,696,200	+1
	<hr/> 3,664,800	<hr/> +2

The additional full annual average staff cost, including salaries and on-cost, is estimated to be around \$5,379,000.

26. EKEO will be supported by a total of 18 non-directorate civil servants and non-civil service contract staff. The total additional notional annual salary cost at mid-point for the 12 non-directorate civil service posts will be within \$8,342,880 and the full annual average staff costs, including salaries and on-cost, will be within \$13,694,000. The annual staff costs of the six non-civil service contract staff are within \$3,170,000.

ADVICE SOUGHT

27. Members are invited to comment on the work plan of EKEO to take forward the initiative of EKE, and give views on the proposed longer-term set up of EKEO including the extension of the PGTP (D3) and GA (D2) posts for four years up to 30 June 2017. Subject to Members' support on the staffing proposal, we will proceed to seek the approval of ESC/FC.

Development Bureau
December 2012

Public Engagement Events
organised by Energizing Kowloon East Office

From February to end November 2012, we have organised 39 briefings, seminars, workshops, forums, conference and exhibition with more than 1,800 participants. Besides, there were about another 1,800 local and overseas visitors to EKEO. The details are as follows -

(A) District Council Meetings

Date	District Council	Topic
6 Mar 2012	Kwun Tong	Briefing on Conceptual Master Plan of Energizing Kowloon East
12 April 2012	Kowloon City	Briefing on Conceptual Master Plan of Energizing Kowloon East
15 May 2012	Wong Tai Sin	Briefing on Conceptual Master Plan of Energizing Kowloon East
31 May 2012	Kwun Tong	Proposal on changing the existing directional signs titled "Kwun Tong Industrial Area"
3 July 2012	Kwun Tong	Briefing on Conceptual Master Plan version 2.0 of Energizing Kowloon East
4 September 2012	Kwun Tong	Energizing Tsun Yip Street Playground Operation
6 November 2012	Kwun Tong	Energizing Kowloon East: Fly the Flyover Operation 1 Energizing Kowloon East: Kowloon Bay Business Area Pedestrian Environment Improvement Feasibility Study and Other Pedestrian Environment Improvement Actions

(B) Briefings to Professional Institutions

Date	Professional Institution	No. of participants
15 February 2012	The Royal Institution of Chartered Surveyors Hong Kong	80
17 April 2012	The Hong Kong Institution of Engineers	83
7 May 2012	The Hong Kong Institute of Planners	60
9 May 2012	The Hong Kong Institute of Architects	53
10 May 2012	The Hong Kong Institute of Surveyors	191
14 May 2012	The Hong Kong Institute of Landscape Architects	28
15 May 2012	The Hong Kong Institute of Urban Design	16
14 July 2012	The Hong Kong Institution of Engineers	126
4 August 2012	The Hong Kong Institute of Architects	29
11 August 2012	The Hong Kong Institute of Planners (Young Planners Group)	45
29 September 2012	The Hong Kong Institution of Engineers (Young Members)	60
Total		771

(C) Briefings/Workshops/Forums to Stakeholders

Date	Event	No. of participants
12 March 2012	Briefing to the Harbourfront Commission Kai Tak Task Force on Energizing Kowloon East	20
20 March 2012	Briefing to the Real Estate Developers Association of Hong Kong	Figure not available
27 April 2012	Speech in the Annual Dinner of the Business Enterprise Management Centre of Hong Kong Management Association	Figure not available
5 May 2012	Energizing Kowloon East Public Workshop	102
14 May 2012	Speech in the Dinner Reception of the Hong Kong Professionals-and-Senior Executives Association	Figure not available

Date	Event	No. of participants
28 May 2012	Lecture to the Department of Urban Planning and Design of the University of Hong Kong	Figure not available
5 June 2012	Briefing to the Chinese General Chamber of Commerce	Figure not available
16 June 2012	Forum for Developers & Land Owners	100
5 July 2012	Luncheon talk to the Hong Kong Former Senior Civil Servants Association	Figure not available
7 July 2012	Place Making Workshop for Arts and Culture along Kwun Tong Waterfront	57
16 October 2012	Energizing Kowloon East Place Making Forum - Business Improvement Areas	280
27 November 2012	Briefing to the Harbourfront Commission Kai Tak Task Force on place-making along Kwun Tong Waterfront	22

(D) International Seminars and Exhibitions

Date	Event	No. of participants
27 February 2012 to 2 March 2012	Gehl Architects Workshop and Public Forum	258
17 July 2012	Joint seminar with the city of Barcelona entitled “A Different Waterfront Makes a City Different - Barcelona Experience”	215
27 August to 25 November 2012	13th International Architecture Exhibition of the Venice Biennale (organised by the Hong Kong Institute of Architects and Hong Kong Arts Development Council)	Figure not available
7 to 9 November 2012	Marché International des Professionels de l’Immobilier (MIPIM) Asia 2012	Figure not available

(E) Conference

Date	Event	Topics
4 May 2012	The Royal Institution of Chartered Surveyors Hong Kong Annual Conference	The Making of Hong Kong's CBD2
11 October 2012	Asia Office Space Congress Hong Kong	The Making of Hong Kong's CBD2
16 to 20 October 2012	Annual National Planning Conference 2012 in Kunming	Smart urban transformation by “place-making” approach – The challenge of Energizing Kowloon East
8 November 2012	Marché International des Professionels de l'Immobilier (MIPIM) Asia 2012	Green and sustainability: impacts, innovations and importance
13 and 14 November 2012	InnoAsia 2012 (organized by the Hong Kong Science & Technology Park Corporation)	A process of smart urban transformation: The challenge of Energizing Kowloon East

(F) Visits to EKEO

Categories	No. of participants
Visits from organisations and association (including Hong Kong Green Building Council and Hong Kong General Chamber of Commerce)	316
Visits of delegations from 20 different countries (including Australia, Belgium, Canada, Denmark, Germany, Indonesia, Italy, Japan, Korea, Mainland China, Malaysia, Netherlands, New Zealand, Singapore, Spain, Sweden, Switzerland, Thailand, United States and United Kingdom)	460

Categories	No. of participants
Visits from local education and tertiary institutes (including the Hong Kong University, the Chinese University of Hong Kong, the Hong Kong Polytechnic University and the City University of Hong Kong)	801
Guided tour for general public	237
Total	1,814



Proposed Organisation Chart of Energizing Kowloon East Office (EKEO)

