

# Integrated Harbour Vision and Delivery Plan

## The Business Case

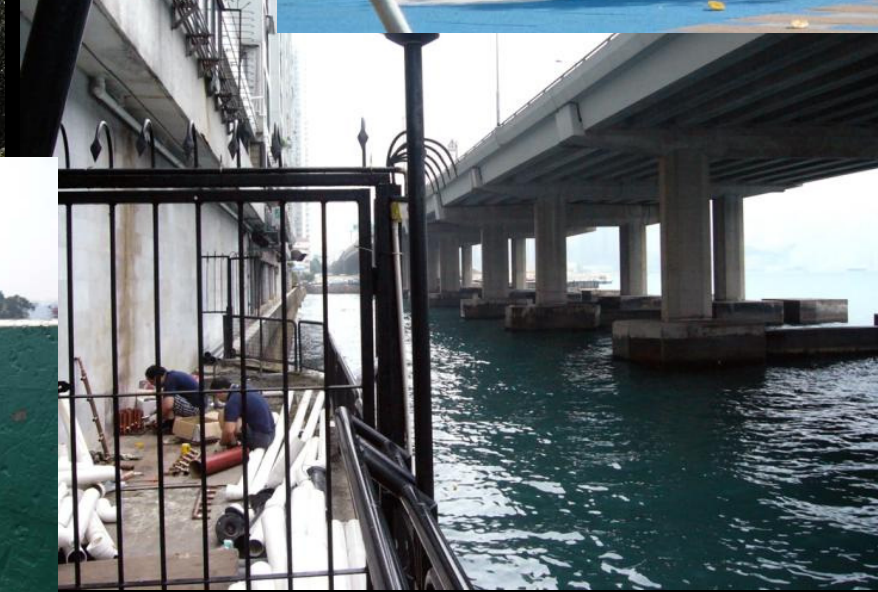


**Fiona Waters**  
Director, GHK (Hong Kong) Ltd











# Objective

*“The objective of this Study is to convince the public to support, and the Government to adopt, **a new integrated approach** to the **planning, development and management of Victoria Harbour.**”*

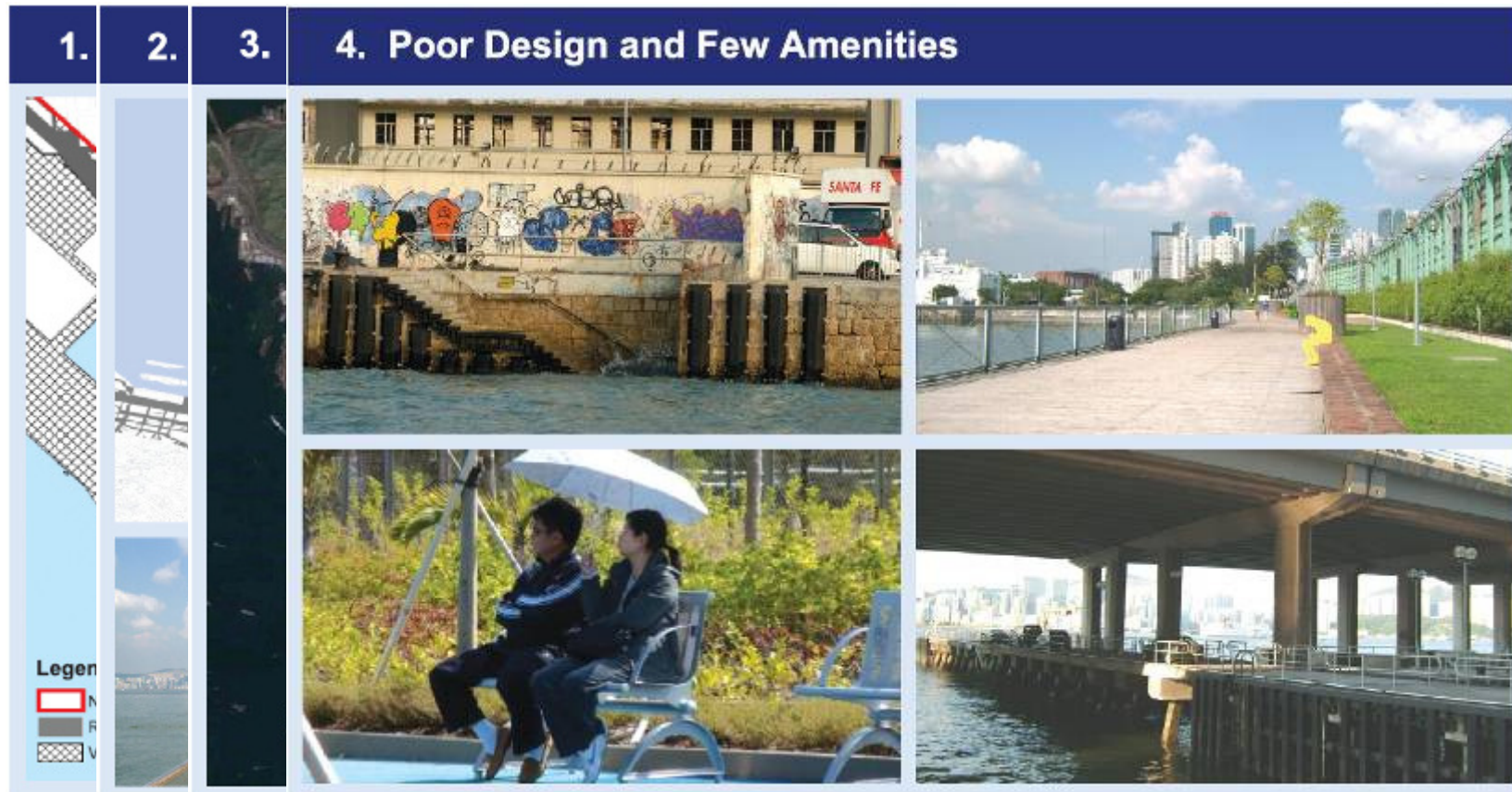


# Agenda

- Fit for Purpose?
- Implications
- Underlying Causes
- A New Integrated Approach
- Implementing the New Approach
- The Business Case



# Evidence



- Significant opportunities ahead but there is concern that Hong Kong is repeating many of the mistakes made in the past.



# Fit for Purpose?

## What the Public Want:

- 91% green & recreational places
- 89% promenades
- 89% want to prioritise leisure
- 87% ground-level access

## What Businesses Want:

- 95% support allocating half the harbour to green & vibrant places
- 89% more places for leisure
- 80% promenades

*Hong Kong public **willing to pay** HK\$73bn (NPV, 2006) for their ideal harbour*

*“Whilst other cities are using their waterfronts to enhance their attractiveness, the current state of Victoria Harbour is **undermining our competitiveness** and our status as a **world class city.**”*





# Liveability

- Liveability and the urban environment are increasingly important as cities compete for business and talent

*“Hong Kong can only sustain its long term growth as a knowledge based economy. To develop this **we need...talent.** We need to nurture **local talent** [and] we have to **attract talent** from around the world.”*

- Mr Donald Tsang, Chief Executive, June 2009

*“**Environmental discomfort** is generally given as the main reason **why executives leave Hong Kong**”*

- Executive Search Firm, July 2009



# Underlying Causes

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- Lack of vision & overarching policy
- Inadequate plans & plan-making systems
- Lack of implementation tools and precedents
- Restrictive and inflexible management practices
- Dichotomy of capital and recurrent funding
- Weak governance structures
- Absence of project cycle

- Government is taking steps in the right direction but Hong Kong lacks the governance, planning and delivery systems to enact lasting change

# 1. Vision & Overarching Policy

## We don't know what...

- Government has not adopted a vision
- Policy statements focus on:
  - “The need to beautify the harbourfront”
  - “Construction of waterfront promenades”

The 2008-09 Policy Address  
Embracing New  
Challenges

The 2009-10 Policy Address  
Breaking New Ground  
Together

## We don't know how...

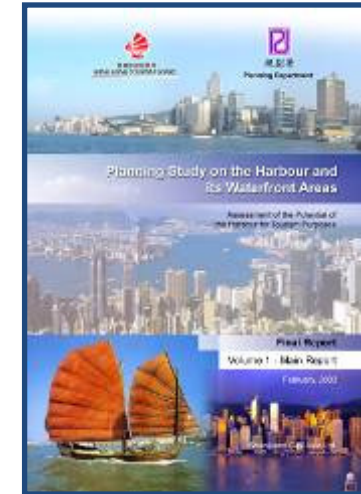
- Harbour-front land has no special status



## 2. Planning

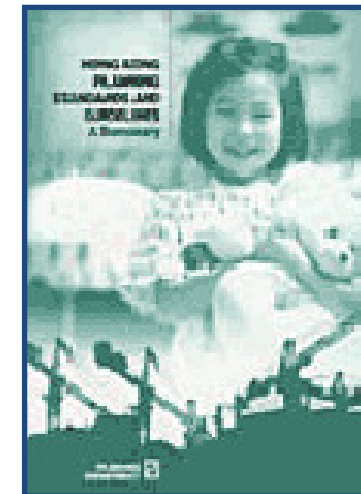
### Inadequate Plans

- Opportunistic rather than Strategic Planning
- OZPs permit inappropriate & temporary uses



### Inadequate Plan-making Systems

- Hong Kong Planning Standards & Guidelines
- Single sector planning favours infrastructure

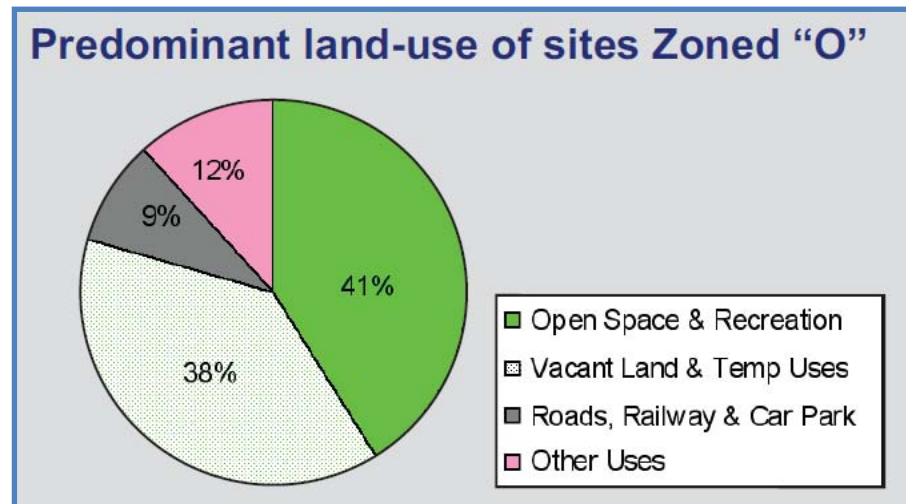




# 3. Implementation

## What's going wrong?

- No permanent project implemented in 5 years
- Zoning vs predominant land-use:
  - About 40% of land zoned open space actually is open space
  - Only half industrial land-use is zoned industrial



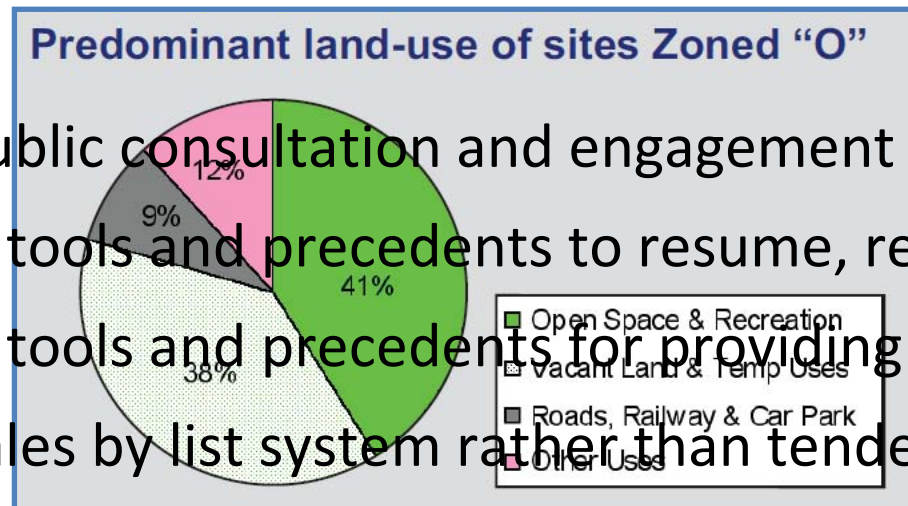
# 3. Implementation

## What's going wrong?

- No permanent project implemented in 5 years
- Zoning vs predominant land-use:
  - Just 40% of land zoned open space actually is open space
  - Only quarter of industrial land-use is zoned industrial

## Why?

- Poor public consultation and engagement
- Lack of tools and precedents to resume, relocate or reclaim
- Lack of tools and precedents for providing incentives
- Land sales by list system rather than tender



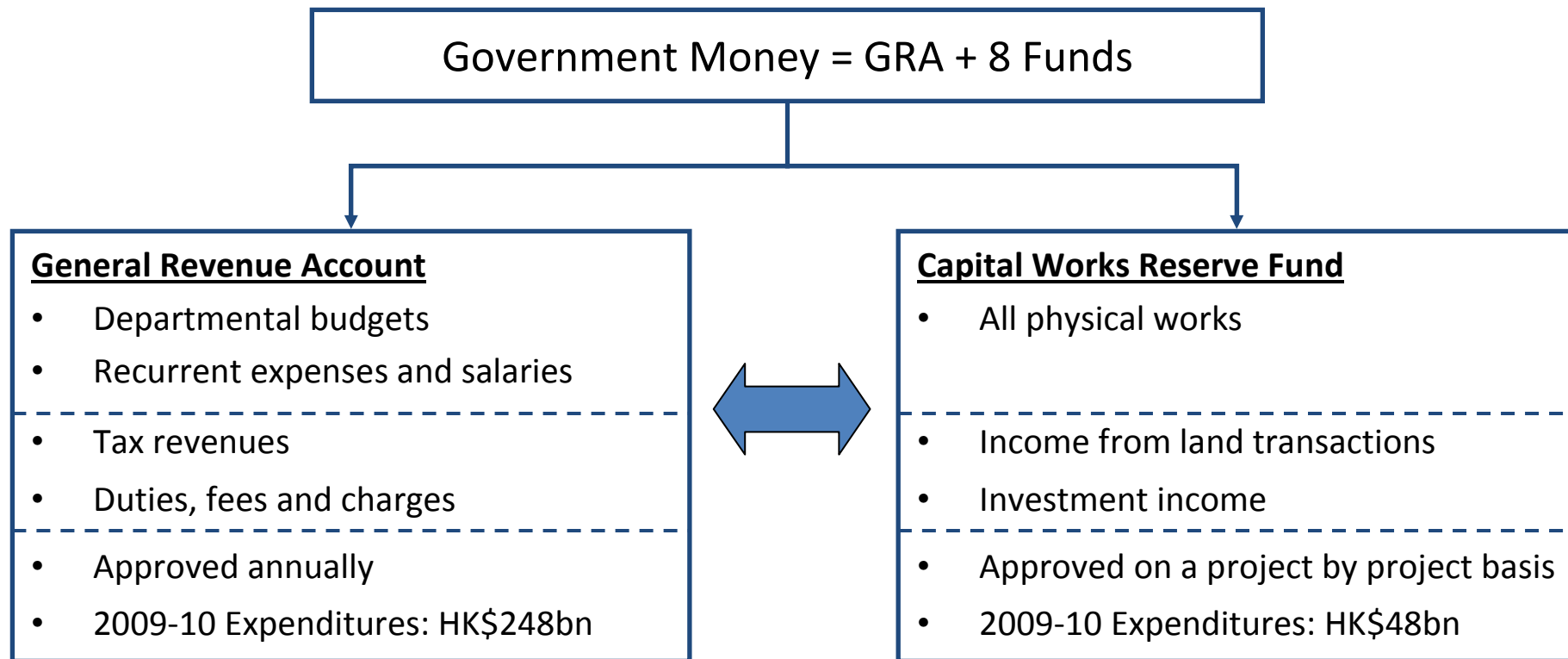
## 4. Management

- Government-led site provision
- Lack of willingness to engage private sector / community groups
- Overly restrictive management practices / ordinance interpretation
- Long delays in granting licences





# 5. Funding



## 6. Governance

- No single, overarching responsible body
- Harbour Unit ill-equipped and under-powered

### The example of small scale public open space

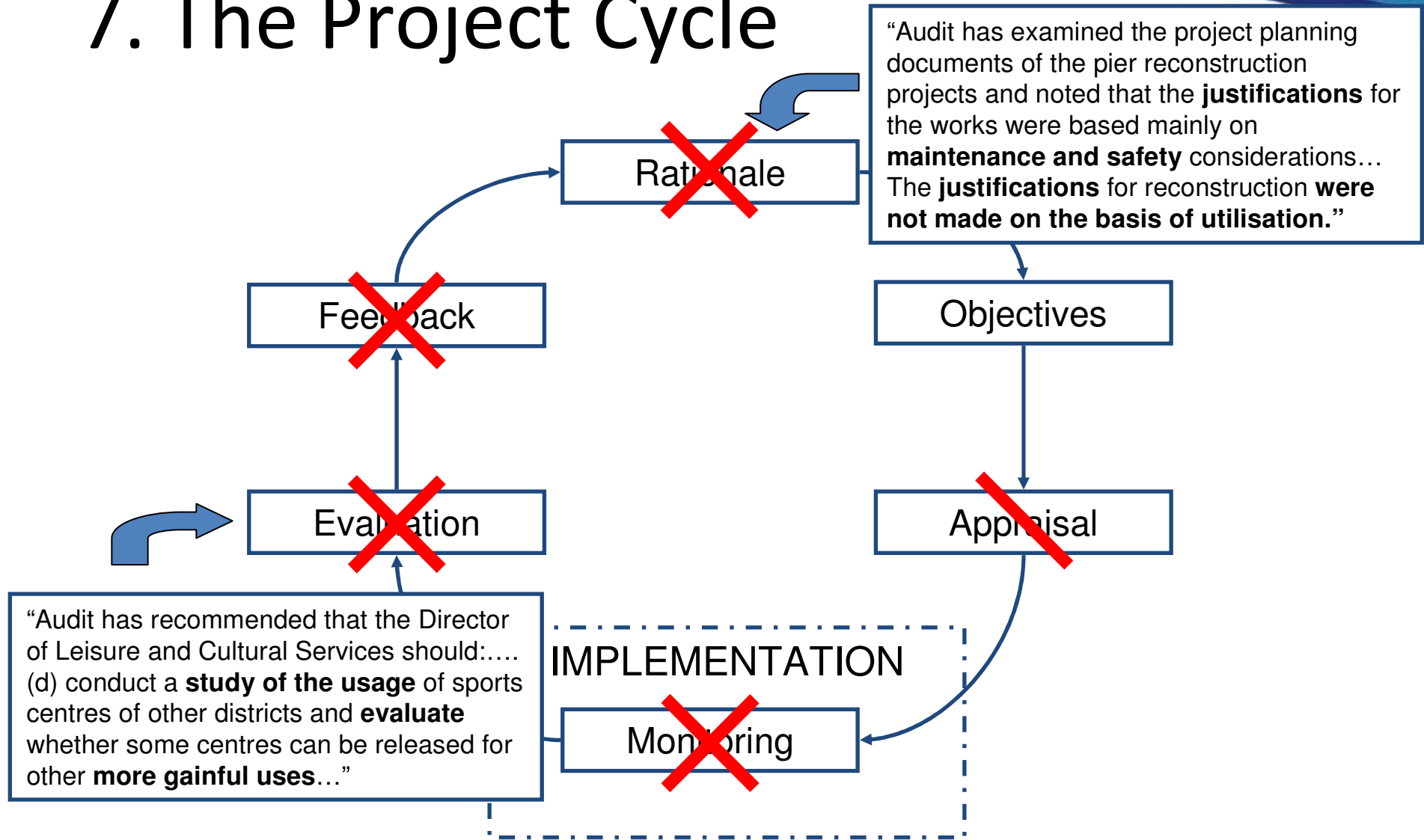


- **PlanD** zones the land O
- **LandsD** prepares the lease
- **LCSD** guides the design
- **CEDD/ArchSD** provides capital funds
- **ArchSD** designs and builds
- **LCSD** manages and maintains the area
- **ArchSD** maintains any Government buildings
- **FEHD** controls licences and permits

- HEC justs advises. LegCo Harbour Subcommittee just monitors

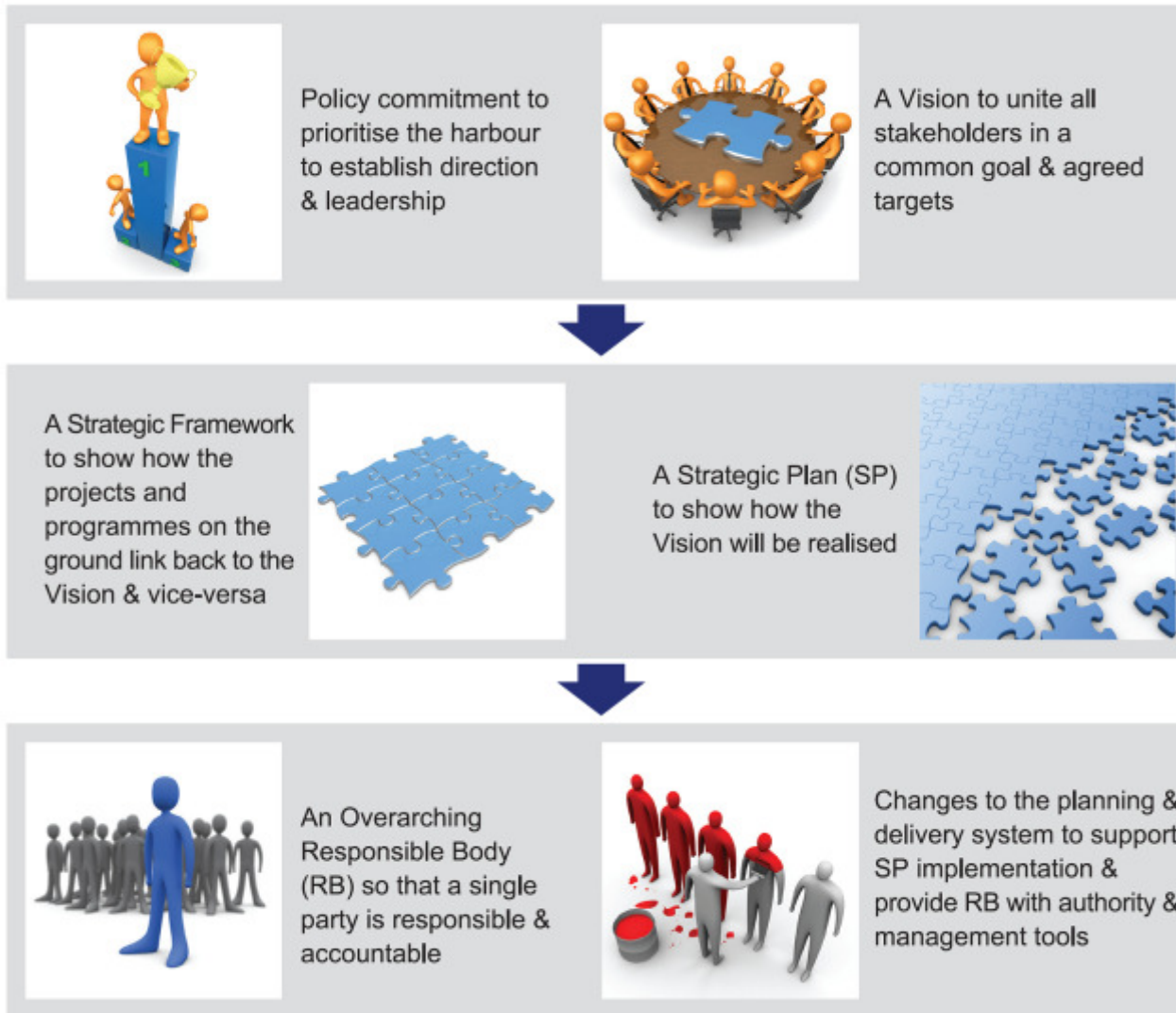


# 7. The Project Cycle





# A New Integrated Approach





# 1. Policy Commitment

- Overarching Policy
- Define appropriate activities, land-use & design
- Influence wider policy affecting the harbour

*“The harbour is Hong Kong’s **defining asset** and a **comparative advantage**. Maximising the value of the harbour is in the public interest. As such, all decisions that affect the harbour should assign the **highest priority to the harbour** in order to maximise the **value of the harbour** for the people of Hong Kong.”*



Lack of vision and overarching policy

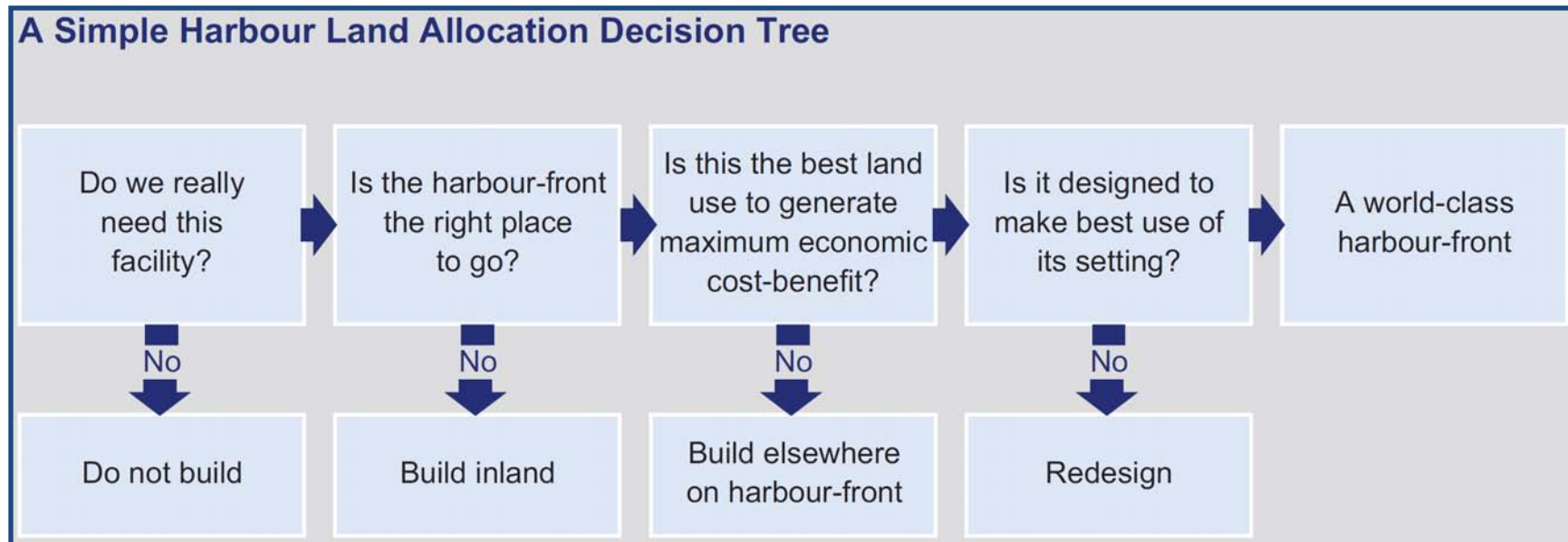
- Inadequate plans and plan-making systems
- Lack of implementation tools and precedents
- Restrictive and inflexible management

• Dichotomy of capital and recurrent funding

- Weak governance structures
- Absence of project cycle



# 1. Policy Commitment



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## 2. The Vision

*“To revitalise Victoria Harbour and its harbour-front areas to become an attractive, diverse, vibrant, accessible and sustainable world class asset for the economy, people and visitors of Hong Kong; a harbour for the people, a harbour of life.”*



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# 3. A Strategic Framework

Vision

*“To revitalise Victoria Harbour and its harbour-front areas to become an attractive, diverse, vibrant, accessible and sustainable world-class asset for the economy, people and visitors of Hong Kong; a harbour for the people, a harbour of life”*

Priorities



Initiatives



Lack of vision and overarching policy

Inadequate plans and plan-making systems

- Lack of implementation tools and precedents
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## 4. A Strategic Plan

- Comprehensive and multi-sector
- Review of assets to identify the **best use** of each area within the context of the whole harbour
- Sets out **what** should be done **where, when, how** and by **whom** in order to deliver the **Vision**
- Proposals **prioritised** for maximum catalytic change



Lack of vision and overarching policy

Inadequate plans and plan-making systems







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# 5. A Responsible Body

	Timeframe	Authority	Chairperson	Staffing	Funding	Power
						
Harbour Committee	Short Term	Within Government Hierarchy	Chief Secretary	Team Seconded from Government Departments, plus Specialists from Private Sector / Overseas	Through Existing Government Mechanisms	Government Activities
Harbour Agency	Medium Term	Through Specific Legislation	Private Sector Individual	Own Staff	Upfront Capital Endowment & Hypothecation of Land	Government Activities, Partner with Private Sector & Leverage Private Sector Funds

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## 6. Planning & Delivery Systems

- Prevent **inappropriate uses**
- Create a **harbour chapter** of the HKPSG
- Develop **guides and pilot projects** for:
  - Adopting the project cycle
  - Implementation
  - Area management

- 
- Lack of vision and overarching policy
  - Inadequate plans and plan-making systems
  - ✓ Lack of implementation tools and precedents
  - ✓ Restrictive and inflexible management

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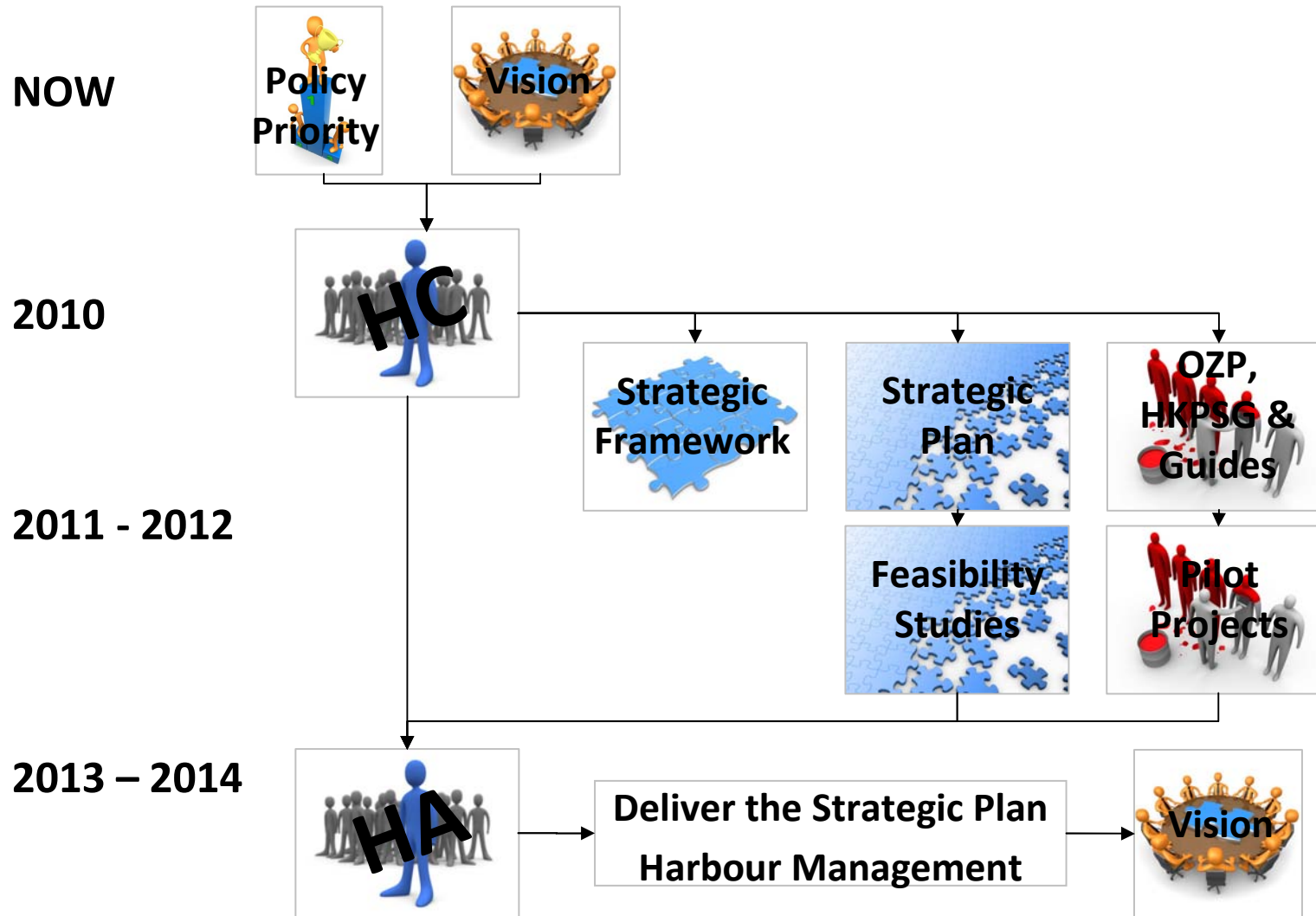




*“Without solutions that overcome the endemic problems in the planning and delivery systems specific to Hong Kong, Hong Kong will never realise the harbour Vision.”*



# Implementing the New Approach





# The Business Case

*“Realising a world class harbour for Hong Kong is not just about enhancement or beautification but about improving efficiency and creating greater value for public money; as well as providing more opportunities for growth, jobs and community value...  
**...and this makes good business sense.”***





# Integrated Harbour Vision & Delivery Plan – The Business Case

*“This is a very exciting and inspirational Study ... Yes, there is indeed a **business case for a vibrant harbourfront.**”*

- Mrs. Carrie Lam, Secretary for Development, December 2009

## Thank You

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