For discussion HC/01/2020 on 5 May 2020

# Proposed Two-envelope Tendering Arrangement for Disposal of Site 3 of the New Central Harbourfront

#### **PURPOSE**

The Government announced on 27 February 2020 the inclusion of Site 3 of the New Central Harbourfront (Site 3) in the 2020-21 Land Sale Programme. Specifically, in lieu of the conventional cash-only tender, a *two-envelope tendering process* will be adopted whereby tenderers' proposals will be evaluated on the basis of design merits and premium offers, allowing the Government to select the proposal achieving the best combination of both.

2. This paper aims to brief Members on the proposed twoenvelope arrangement.

#### **VISION FOR SITE 3**

3. With total area of 4.75 hectare, Site 3 is a sizable premier commercial site that remains undeveloped at the heart of the Core Business District (CBD) in Central. It also occupies a strategic location in the New Central Harbourfront initiative driven by Government (see location plan at **Annex A**). We should take full advantage of this opportunity to put developable space available from the prime site into good use by providing maximum possible commercial floor space to address the city's strong demand for prime commercial facilities, while responding to public aspiration for a world class harbourfront with quality public open space (POS) and pedestrian-oriented connectivity. We aspire to develop Site 3 with the following vision -

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## Hong Kong's new landmark

(a) the development shall deliver a world class waterfront landmark at this prestigious location reinforcing Hong Kong as Asia's world city, maximising provision of prime commercial floor space and providing a well-designed, user-centric and accessible POS;

## Benchmark for sustainable design

(b) the development shall set a new benchmark for sustainable design in the city by adopting a holistic approach to sustainability including smart, green and innovative architectural designs to create a low-carbon, energy-efficient and eco-friendly quarter in the heart of Central; and

## Integration with surroundings

- (c) the development shall feature a coherent and overall design concept that is attractive on its own and yet will relate and integrate well with the harbourfront and other surroundings, in terms of both visual and physical connections.
- 4. Attaching great importance to the design quality of Site 3, the Government has been working closely with the Harbourfront Commission (HC) and its predecessor, the Harbourfront Enhancement Committee (HEC), in different stages over the years to ensure that good design considerations can be put into practice. The HEC had been closely involved in the formulation of the planning framework for Site 3 as early as 2005. Specifically, a dedicated Task Group was established to participate throughout

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the preparatory and study process of the Urban Design Study for the New Central Harbourfront (UDS), which provided an important basis for Site 3's development parameters. Such essence were translated into a planning brief (PB), the draft of which was discussed at length at the meeting of HC's Task Force on Harbourfront Developments on Hong Kong Island in October 2016, before the PB was refined and endorsed by the Town Planning Board (TPB) later the same year.

#### PB GUIDING SITE 3 DEVELOPMENT

- 5. The PB prescribes a commercial development in separate blocks mainly for office and retail with total gross floor area (GFA) not exceeding 150 000 m² to be built alongside a spacious POS of no less than 25 000 m² to be opened for pubic enjoyment round-the-clock. Given Site 3's stringent height limits (50mPD on the western portion of the site and 16mPD the eastern portion) and site constraints (two public roads running across the site with their underground level being infrastructure reserve), both the UDS and PB envisage the demolition of existing structures such as the General Post Office and the Star Ferry Car Park to make way for the mixed use development of the proposed size and realise various design concepts. Please refer to **Annex B** for the notional architectural scheme formulated in the context of the PB.
- 6. Apart from concrete development parameters, the PB also sets out elaborated guidelines to promote integrated site planning, innovative architecture, robust urban design, vibrant POS design, pedestrian connectivity, quality landscaping, etc. For example, in addition to being subject to stringent height limits as mentioned in paragraph 5 above, the commercial blocks are also encouraged under PB to adopt a stepped height profile toward the

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harbourfront with diversified building form and adequate building separation. As for the 25 000 m<sup>2</sup>-POS occupying more than half of the site, PB encourages it to be carefully designed with quality landscaping and attention to details including paving, street furniture, outdoor seating and way-finding signage, as well as activity-generating facilities such as entrance plaza, spaces with flexible uses, and alfresco dining and open air cafes, that can enhance visitors' experience and bring vibrancy to harbourfront. In terms of connectivity, PB proposes comprehensive, multi-level pedestrian network to connect with the harbourfront, nearby developments and MTR stations, with the highlight being a continuous landscaped deck spanning across the site in a north-south direction that allows visitors to walk all the way from the hinterland of the Central CBD to the harbourfront. Key development parameters and design guidelines in PB are summarised at **Annex C**. The entire version of the PB can be downloaded at the following link https://www.pland.gov.hk/pland\_en/access/pec/others.html.

7. Given its strong design focus and broad guidelines covering key development aspects with public interface while without going into specifics that may stifle innovation, the PB provides a flexible development framework to realise our vision for Site 3 as set out in paragraph 3 above, and encourage design and architectural creativity from tenderers. It will guide the future developer of Site 3 in the preparation of Master Layout Plan (MLP) for TPB's approval.

#### PROPOSED TWO ENVELOPE APPROACH

8. We have set out in ensuing paragraphs key features of the two-envelope tendering arrangement drawn up with due regard to

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the Stores and Procurement Regulations (SPRs) governing all land sale tenders, including that for Site 3. Details of the tendering arrangement are subject to the relevant approval by the Government's Central Tender Board (CTB).

#### Tender process involving design and price elements

- 9. Tenderers would be required to submit a design proposal and a price proposal concurrently but in separate envelopes. Given the complexity of Site 3 tender exercise in particular the need to prepare quality design proposals, we would allow a relatively longer period for tenderers to prepare conceptual drawings, written elaborations and essential technical assessments on traffic and visual impact to support their design proposals.
- 10. We propose the application of a 50:50 design-to-price weighting to the technical and price assessments to derive a combined score for each conforming bid. The bid with the highest combined score will be awarded the tender, subject to the consideration and decision of the CTB as in the case of other land sale tenders.

#### The design proposal

11. The PB will be adopted as the basis for guiding the design proposal. Among others, the PB has set out mandatory features that must be delivered within Site 3, for example maximum allowable commercial GFA of 150 000 m<sup>2</sup> and no less than 25 000 m<sup>2</sup> of POS with at least 12 000 m<sup>2</sup> being at-grade. Such mandatory features together with other relevant requirements for the land lease will be set out clearly in the tender document. Tenderers would be required to demonstrate how such

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requirements have been complied with in their design proposals. Non-compliance will render their bids not conforming and not qualified for further assessment.

- As required by the SPRs, a Tender Assessment Panel (TAP) 12. comprising government officers will be set up to assess tenders received to safeguard the integrity of the procurement exercise. For Site 3, a TAP under Development Bureau comprising government officials of relevant bureaux/departments will assess and mark the design proposals of conforming tenderers against a pre-determined Marking Scheme. To complement perspectives of official members on the TAP, we would appoint suitable individuals from development-related professional fields as Technical Advisers (TAs) to advise the TAP on the relative design merits before the design proposals are marked. The TAs would come from the fields of architecture, planning, urban design, landscape design and surveying. Their participation would enable the technical evaluation to benefit from their professional expertise and market knowledge about global architectural trends and sustainable design innovations. In accordance with the SPRs, these TAs who are not government officers would not take part in the marking. To avoid direct or potential conflict of interest, we will put in place declaration arrangements for TAs and impose reasonable restrictions on their present or future involvement in Site 3 development.
- 13. The Marking Scheme will be issued as part of the tender document enabling tenderers to prepare design proposals with full knowledge of how their proposals will be assessed. Apart from requiring tenders to submit design and development concepts that will realise the vision for Site 3 in paragraph 3 above, other scoring criteria in the Marking Scheme can be broadly categorised into three groups, with particular emphasis on facilities with strong

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public dimension -

- (a) rewarding good design treatment of mandatory features in the PB. Examples include how well the design treatment has responded to the requirement of stepping down building height towards the harbourfront for the commercial blocks; the overall design of the POS in terms of creating a welcoming and pleasing setting with activity-generating uses enhancing vibrancy in the harbourfront area; and how well the landscaped deck has been designed to provide pleasant and comfortable walking experience for pedestrians from the hinterland to the harbourfront;
- (b) incentivising desirable design features in the PB. Examples include how well the design proposal has respected the harbourfront setting in terms of building form, massing and separation, as well as visual connection with surroundings including a clear vista from the Statue Square to the harbourfront; to what extent the development has adopted high quality, contemporary and innovative architecture that will enhance the visual quality of the harbourfront and underscore the significance of the site; and whether the tenderer has committed to provide pedestrian connections and landscaping provisions over and above those required under the PB; and
- (c) encouraging meritorious features beyond those in the PB but relevant to modern mixed use development. Examples include to what extent the development can set a benchmark for sustainable design through adoption of green, smart measures to create a low-carbon, energy-

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efficient and eco-friendly community; what design treatment has been proposed to the roof areas of the commercial development to create visual interest; and to what extent the tenderer's plan on how the POS will be curated and managed will set the POS apart from other open spaces in terms of providing delightful experience to visitors with varying needs and enlivening the harbourfront.

## The price proposal

14. Following completion of the assessment of the design proposals, the price envelopes of conforming proposals will be opened. To ensure a reasonable return for this prime commercial site in the interest of public revenue, only price offers not lower than the reserve price determined by Lands Department will be accepted. To ensure impartiality, the professional valuers will not be given any information about the price proposals received when assessing the reserve price.

#### **IMPLEMENTATION**

15. As mentioned in paragraph 7 above, the future developer of Site 3 is required to submit a MLP to the TPB for approval before commencing construction. To uphold fairness of the competitive two-envelope tender process, we have to ensure that any subsequent refinements to the design of the development during the stage of MLP approval would not upset the validity of the tender result. To this end, we would require the successful tenderer to submit a MLP based on the winning proposal. The TAP would continue to monitor the processing of the winning scheme at the MLP stage and ensure that the eventual design

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incorporated with changes, if any, required by TPB is no less favourable than the winning proposal.

16. On the practical front, the Harbour Office (HO) would continue to collaborate with relevant departments to ensure the proper implementation of Site 3. Among others, there would be clauses in the lease to subject the implementation, management and maintenance of the POS to the satisfaction of HO according to what the successful tenderer has committed in its tender proposal.

#### **ADVICE SOUGHT**

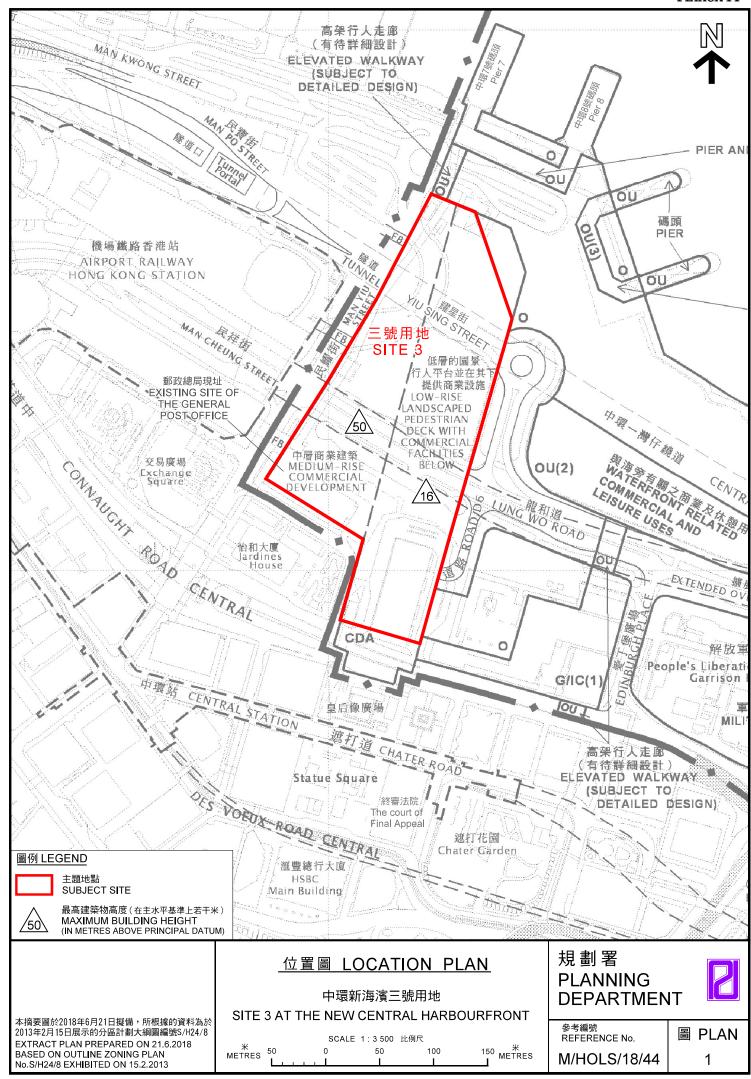
17. Members are invited to give views on the proposed approach for the two-envelope tender.

# Development Bureau May 2020

Annex A - Location Plan of Site 3

Annex B - Notional Architectural Scheme

Annex C - Key Development Parameters and Design Guidelines in Planning Brief



## Annex B





現時圖片(2016) Current Site Photo (2016)

構想圖(只供參考) Photomontage (for reference only)

現時圖片和概念建築方案構想圖之相比

COMPARISON OF THE SITE PHOTO AND PHOTOMONTAGE OF THE NOTIONAL ARCHITECTURAL SCHEME

規劃署 PLANNING DEPARTMENT



參考編號 REFERENCE No.

M/HOLS/16/23



概念建築方案構想圖 PHOTOMONTAGE OF THE NOTIONAL ARCHITECTURAL SCHEME 規劃署 PLANNING DEPARTMENT



參考編號 REFERENCE No.

M/HOLS/16/23

## Key Development Parameters and Design Guidelines Extracted from Planning Brief for Site 3

Below are a summary of key development parameters and design guidelines extracted from the Planning Brief for Site 3-

#### Mixed uses

- (a) no more than 150 000 m<sup>2</sup> of commercial floor space, and about half of the site area (i.e. no less than 25 000 m<sup>2</sup>) for Public Open Space (POS) including at least 12 000 m<sup>2</sup> being at-grade;
- (b) provision of public car parking spaces, transport facilities, Government, Institution or Community facilities including district-tied postal facilities, public toilets and the reconstructed Star Ferry Clock Tower (SFCT);

#### Good urban design

- (c) within statutory building height restrictions of 50mPD on the western part of the site and 16mPD the eastern part, provision of diversity in building form, variation in building height, and an overall stepped height profile descending towards the harbourfront, as well as adequate building separation to ensure good air ventilation and visual permeability;
- (d) adoption of an integrated site planning and innovative architectural design for enhancement of the visual quality of the harbourfront with due consideration to the setting and design of the City Hall Complex;
- (e) maintenance of a clear vista from the existing Statute Square to the harbour as well as visual connection with surrounding historical sites;
- (f) provision of voids/skylights on the podium roof and landscaped deck to enhance lighting and ventilation for the ground level environment of the roads and POS at ground level;

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- (g) design and orientation of the reconstructed old SFCT together with its landscape setting to help reinforce the spatial character of the historical landmarks within the Historic Corridor and to integrate with the northsouth and east-west visual axes and the landscape setting of existing Statue Square Corridor and the proposed piazza at Edinburgh Place fronting City Gallery and City Hall;
- (h) promotion of high permeability podium design;
- (i) adoption of environmental friendly building design;

#### Pedestrian-oriented environment

#### Connectivity within the site

- (j) a continuous landscaped deck spanning across the site in a north-south direction with minimum 6m-wide unobstructed pedestrian access connecting the hinterland to the harbourfront. Apart from connecting all building blocks and at-grade POS within the site, the landscaped deck should also provide connections with nearby existing and planned developments;
- (k) the landscaped deck to be designed with due consideration of the following
  - visual impact of the landscaped deck to the surroundings
  - impact on natural lighting and ventilation of spaces/facilities around and underneath the landscaped deck
  - accessibility including vertical and horizontal barrier-free access and physical and visual connectivity with the POS, surrounding developments and waterfront
  - > creation of focal points with identity

#### Connectivity outside the site

(l) a comprehensive multi-level pedestrian network including at-grade, elevated and underground pedestrian links providing direct accesses with

- the MTR stations, the harbourfront and nearby existing and planned developments;
- (m) provision of of 24-hour unobstructed, direct, convenient, barrier-free and weather protected pedestrian accesses with a minimum width of 6m connecting the Statue Square and existing elevated walkway from IFC II and Jardine House at the hinterland to the waterfront promenade at south-north direction;
- (n) provision of 24-hour vertical pedestrian accesses connecting the landscaped deck and the at-grade level within the site;
- (o) provision of barrier-free access for pedestrians within the site and to surrounding developments. All new elevated walkways/tunnel should be provided with barrier-free access. Existing elevated walkways if retained should be provided with barrier-free access unless proven to be technically infeasible;
- (p) level difference between existing elevated walkways and all parts of the landscaped deck should be avoided/minimised except due to technical constraints and where possible, escalators should be provided;

#### **POS**

- (q) POS to be designed, constructed, managed and maintained by the developer and opened to the public 24 hours a day and free of charge;
- (r) placement of most at-grade POS at the eastern portion of the site to integrate with the surrounding POS in the locality and the harbourfront;
- (s) designed with high landscape quality with adequate greenery, thematic planting, quality paving and street furniture, outdoor seating and shades; and to allow for provision of a diversity of activities to ensure harmony of the waterfront;
- (t) features such as entrance plaza, alfresco dining facilities, food kiosks and open air cafes encouraged;

(u) provision of barrier-free connections, vertical and horizontal, between the POS at landscaped deck and at-grade levels, as well as the adjacent waterfront promenades. Consideration be given to provide weather protected pedestrian route, as appropriate, for the convenience of the public;

#### Landscaping and greening opportunities

- (v) minimum overall site coverage of greenery for 30% for the whole site, with at least half of the greenery area to be provided at the pedestrian level and primary zone; minimum site coverage of greenery of 50% at POS, with atgrade planting encouraged;
- (w) provision of high quality greening and maximisation of the greening opportunity;
- (x) comprehensive planning for at-grade green coverage, vertical greening, green roof, green deck, etc in building design; and
- (y) design to enhance integration with the City Hall Complex, the proposed piazza at Edinburgh Place fronting City Gallery and City Hall, and the landscaping are outside the site boundary.