

Task Force on Harbourfront Developments on Hong Kong Island

For discussion
on 19 May 2014

TFHK/05/2014

Hong Kong Observation Wheel at the New Central Harbourfront

PURPOSE

This paper outlines a project to develop the Hong Kong Observation Wheel in front of Pier No. 9 and Pier No. 10, Central, Hong Kong. (See Annex 1)

BACKGROUND

2. The Lands Department has, through open tender, leased a total area of approximately 9,620 square metres in front of Pier No.9 and Pier No. 10 in Central, Hong Kong to set up an observation wheel for locals and tourists for recreational purposes and to add vibrancy to the harbourfront area.

3. The Hong Kong Observation Wheel will be an icon for Hong Kong and will be visible from both sides of the Harbour. The Observation Wheel will enhance the vibrancy and visual prominence to the Central harbourfront with particularly good public transport connections. The enviable position also maximises views of the Central harbour for wheel passengers. The Hong Kong Observation Wheel is being developed and will be operated by the operator of the highly successful Bangkok landmark attraction and popular observation wheel at Asiatique the Riverfront. Swiss AEX Holding (Swiss AEX) is experienced in operating wheels around the world for more than a decade to provide enjoyment for millions of people.

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4. The Hong Kong Observation Wheel will contribute to enhance Victoria Harbour and its harbourfront areas to become an attractive, vibrant, accessible and sustainable world-class asset, which is a harbour for the people and a harbour for life. We believe that this iconic site is a space that will be used by everyone – both local Hong Kong residents and visitors, young and old.

PROPOSED SCOPE OF DEVELOPMENT

Project Team

5. The tender was submitted to the Lands Department in December 2012. The Tenancy Agreement No. NHX-781 was awarded to Swiss AEX on the 23rd May 2013. Swiss AEX immediately appointed the key project team to study the situation thoroughly and design the optimum Wheel for Hong Kong. Even being aware of the tendency term, i.e. three years and thereafter to be extended quarterly, the 60-metre Hong Kong Observation Wheel is designed and will be constructed to a level unknown to the industry to serve Hong Kong well into the future. With international credentials and local expertise, Swiss AEX and the key project team started site investigation work on the 24th June 2013. The project team has had regular meetings with various Government departments, such as Lands Department, Electrical and Mechanical Services Department, the Development Bureau, Buildings Department, Drainage Services Department, Highways Department, and Fire Services Department since that time.

6. Swiss AEX has appointed a project and construction management team and landscape design team, respectively. The former is responsible for the overall project coordination, procurement, pre-construction and planning and construction management. The latter is responsible for master planning,

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landscape design, coordination with the Architect on building finishes and supervision of landscape works implementation.

7. Swiss AEX is currently finalising the appointment of an internationally renowned contractor to be responsible for the preparatory footings and construction work.

8. Delivery of all parts of the wheel from Europe are currently in progress and the installation will start imminently. The target opening date of the Hong Kong Observation Wheel will be September 2014.

9. Swiss AEX has appointed a reputable PR company to carry out all Public Relations and Media Relations related activities and will start a proactive communication campaign after sharing the details of the Hong Kong Observation Wheel project to the Central and Western District Council and the Harbourfront Commission. A soft launch of the project will take place in September 2014 to build awareness and anticipation. A higher-profile 'formal' launch will, thereafter, be carried out in cooperation with the Harbourfront Commission, Hong Kong Tourism Board, District representatives and the Hong Kong Government.

Benefits to the Community

10. The Hong Kong Observation Wheel will create employment and training opportunities for both skilled and unskilled positions. Both full time and part time roles will be offered for peak times and events. A recruitment day will be held in June/July 2014 and recruitment positions will include: technical staff – construction, electrical and mechanical technical and maintenance and operational staff – management, safety, ticketing, supervisory, retail, security, customer services and cleaning staff.

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11. The Hong Kong Observation Wheel will proactively collaborate with its harbourfront proximal neighbours to strive for mutually beneficial opportunities and synergies from working together.

12. The Hong Kong Observation Wheel is planning to liaise with charitable organisations to allow access to the Wheel for less fortunate and more needy young and old community groups in Hong Kong.

ALIGNMENT WITH VICTORIA HARBOUR AND ITS WATERFRONT AREAS VISION, MISSION & PLANNING PRINCIPLES

The Hong Kong Observation Wheel sees close alignment with the project and the Victoria Harbour and its waterfront areas vision, mission & planning principles.

13. Principle No. 5 – ‘Proactive Harbour Enhancement’

The Hong Kong Observation Wheel will be an icon for Hong Kong and will be visible from both sides of the Harbour.

14. Principle No. 6 – ‘Vibrant Harbour’

The Hong Kong Observation Wheel will attract the local community and visitors to the harbourfront and hence enhancing Victoria Harbour to become an attractive and vibrant area.

15. Principle No. 7 – ‘Accessible Harbour’

The Hong Kong Observation Wheel will be located at the heart of Central. The site lies in a prime location in terms of public. The key elements surrounding the site of relevance to developing it into a viable public facility includes the Outlying Islands' ferry piers, the Star Ferry, transport interchange at the eastern end of Man Kwong Street, an existing footbridge

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link from Hong Kong Station to the Star Ferry and the Waterfront promenade in front of Central Pier no. 9 and no. 10.

16. Principle No. 8 – ‘Public Enjoyment’

The prime objective of the design and layout of the site has been to optimise its accessibility to the public. Out of a total site area of approximately 9,950 square metres, only 9.5% is paid area and the rest will be freely accessible to the public, providing enjoyment for locals and visitors of all ages and social groups. The Hong Kong Observation Wheel will add a new point of visual focus to the Central harbourfront area and a new serenely moving visual element to both daytime and the night scenery of Hong Kong.

DESIGN AND OPERATION

Wheel Design

17. Safety is of the utmost importance to Swiss AEX and the project team during construction and operation. The wheel is specifically designed for Hong Kong's climate and weather conditions and has been designed and will be built to EMSD and international (TUV Global) standards. Each gondola is equipped with hi-tech safety and communication systems. The quality of the Hong Kong Observation Wheel will be of the highest quality and to both EMSD and international specifications and all staff will receive appropriate levels of training.

18. To enhance public enjoyment and help to promote the surrounding area, a VIP gondola will be available for selection at the Hong Kong Observation Wheel. (See Annex 2, 3a & 3b)

19. The Hong Kong Observational Wheel is enviably connected by different forms of MTR, ferry and road-based public transport. Whilst it is not

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anticipated that many Wheel visitors will arrive by taxi or car, a drop-off zone for taxis and private cars is located next to the site.

20. The Hong Kong Observation Wheel will be the main attraction on the site and its visual prominence will announce and advertise its presence far beyond the site boundaries, and which can, thus, be enjoyed by members of the public and visitors on both sides of the harbour.

Annual Capacity

21. The Hong Kong Observation Wheel will be 60 metres tall, and it will comprise 42 gondolas that hold a maximum of 8-10 passengers. It is estimated that approximately 1 million passengers will ride the Wheel annually.

Proposed Pricing

22. Unlike other wheels in the world, the Hong Kong Observation Wheel is designed to be an iconic experience for locals in Hong Kong for enhancing public enjoyment. Therefore, the ticket price is specifically set at HK\$100 for adults, HK\$70 for children and special discounts will be offered to students, senior citizens and disabled members of the community and visitors, since Swiss AEX hopes that everyone can enjoy a ride on the Hong Kong Observation Wheel regularly to celebrate special community and family occasions.

Other Facilities

23. In order to enhance the Wheel's social atmosphere and contribution to the harbourfront, it is proposed to provide food & beverage facilities near the Wheel where members of the Hong Kong public and visitors can gather and enjoy views of the Wheel and harbourfront.

24. An event plaza for activities and events will be organised at the

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northwest corner of the area with details to be announced later. The first such event is scheduled to be held during the end of year holiday season, 2014. It is considered that the combination of the above facilities with the mix of paid attractions and informal, free public experiences will draw people together to create a vibrant, unique, iconic and enjoyable Central harbour waterfront experience for locals and visitors to enjoy.

Environmental Sustainability

25. In accordance with the sustainability principles of the harbourfront development guidelines, every effort will be made by the Hong Kong Observation Wheel to be a good and responsible corporate environmental citizen.

Annex 1: Location of Hong Kong Observation Wheel

Annex 2: Pictures of the gondolas

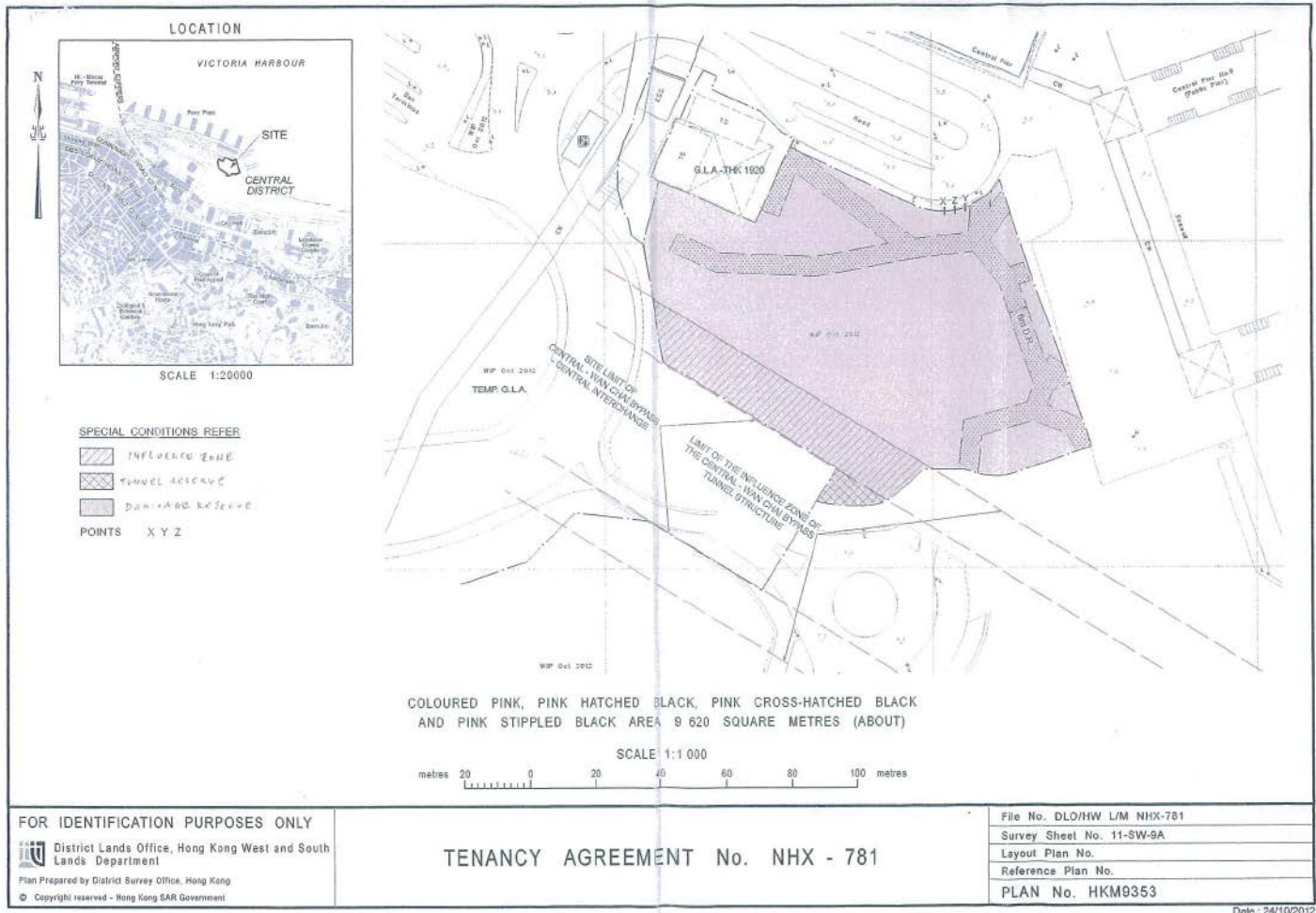
Annex 3a: Renderings of the Hong Kong Observation Wheel at the site (night)

Annex 3b: Renderings of the Hong Kong Observation Wheel at the site (day)

Swiss AEX Holding Limited

May 2014

Annex 1: Location of Hong Kong Observation Wheel



Annex 2: Pictures of the gondolas



Annex 3a: Renderings of the Hong Kong Observation Wheel at the site (night)



Annex 3b: Renderings of the Hong Kong Observation Wheel at the site (day)

