

Task Force on Harbourfront Developments on Hong Kong Island

For discussion
on 25 May 2016

TFHK/12/2016

Temporary Use at the Observation Wheel Site

PURPOSE

This paper aims to update Members on the temporary use of some area in the new Central harbourfront for the purpose of operating an observation wheel, and seek Members' views on the way forward.

CURRENT LAND USE

2. The current site of the observation wheel comprises a portion of both Sites 3 and 7 under the Urban Design Study for the New Central Harbourfront (UDS) (location map at **Annex A**), and is close to one hectare in size. Through an open tender, the site was let to an operator through short-term tenancy (STT) for operating an observation wheel and ancillary facilities. The STT commenced in June 2013 and the observation wheel was subsequently open for public use on 5 December 2014.

3. The current STT will expire in June 2016. In September 2015, we have obtained support from both the Task Force and the Culture, Leisure & Social Affairs Committee (CLSAC) of the Central & Western District Council (C&W DC) on extending the land use of the observation wheel site for one year. In view of practical considerations for a one-year extension, the current STT with the existing tenant was hence extended until June 2017.

LONG-TERM DEVELOPMENT

4. On current schedule, it is anticipated that Site 3 would become ready for long-term development in accordance with the recommendations of the UDS in the next two to three years. Thus the portion of the current site of the observation wheel that falls within Site 3 could not be further let out for temporary use upon the expiry of the extended term in June 2017. As for Site 7, its eastern part will remain occupied for infrastructural works of the Wan Chai Development Phase II and the Central-Wan Chai Bypass projects over the next few years. Taking into account the preparation time required, it is expected that

Task Force on Harbourfront Developments on Hong Kong Island

TFHK/12/2016

long-term development of the entire Site 7 will not commence before 2020.

PUBLIC RESPONSE

5. The observation wheel is generally welcomed by the public since its commencement. It is understood from the tenant that the observation wheel has attracted over one million visitors as of today. It has also become a new landmark on Hong Kong Island's coastline drawing both tourists and residents alike to the new Central harbourfront. Meanwhile, ancillary facilities such as food kiosks are also available next to the observation wheel to provide an additional food and beverage choice for patrons.

PROPOSED TEMPORARY USES

6. Taking into account the long-term development timetable of Site 7 and public response to the observation wheel, the Development Bureau (DEVB) proposes to continue using the portion of the site falling within Site 7 and currently occupied by the observation wheel proper (see the plan at **Annex B**) for operating an observation wheel with ancillary facilities. The reduced site is proposed to be let out under a new STT through open tender for three years from mid-2017 to mid-2020 on similar arrangements as adopted for first tendering of the site in 2012.

7. As the existing observation wheel structure, including its foundations, is situated entirely within Site 7, we do not foresee any technical difficulty for operation of the current observation wheel to continue within the reduced area should the current incumbent operator succeed in bidding the open tender. If the tender returns a new operator, the operator may require around a year to obtain necessary licences and install a new wheel before opening. Notwithstanding the possibility of disrupting the current service, we consider it appropriate to pursue open tender so as to provide a fair and transparent means to implement the proposed temporary use by a commercial operator for another three years.

8. The proposed arrangement will ensure that before commencement of long-term development, services and activities currently welcomed by the public will continue to be provided at the subject site. Such an arrangement will also align with the policy

Task Force on Harbourfront Developments on Hong Kong Island

TFHK/12/2016

objective of enabling early enjoyment of harbourfront areas and ensuring their vibrancy.

HARBOUR PLANNING PRINCIPLES

9. We consider that the proposal aligns with the Harbour Planning Principles in the following aspects–

Preserving Victoria Harbour

The proposal would help attract local residents and tourists to enjoy this new landmark along our coastline on the Hong Kong Island.

Public Engagement

In addition to the Task Force, we plan to consult CLSAC of the C&W DC at its upcoming meeting in June to solicit their support on the proposed temporary use. Public reception as outlined in paragraph 5 also indicates popular support of the observation wheel.

Sustainable Development and Integrated Planning

The proposal would not affect the long-term development of Site 7 both in terms of design and implementation timetable. As the site is distant from major residential areas in the neighborhood, the proposed temporary use should not cause nuisance to local residents.

Proactive Harbour Enhancement

The proposal aims to allow early public enjoyment of available harbourfront sites and add vibrancy to the harbourfront.

Vibrant Harbour and Public Enjoyment

The existing observation wheel is welcomed by the public, as marked by the media coverage and relatively high patronage recorded. The proposal would allow continuation of this temporary use for public enjoyment. DEVB will continue to

Task Force on Harbourfront Developments on Hong Kong Island

TFHK/12/2016

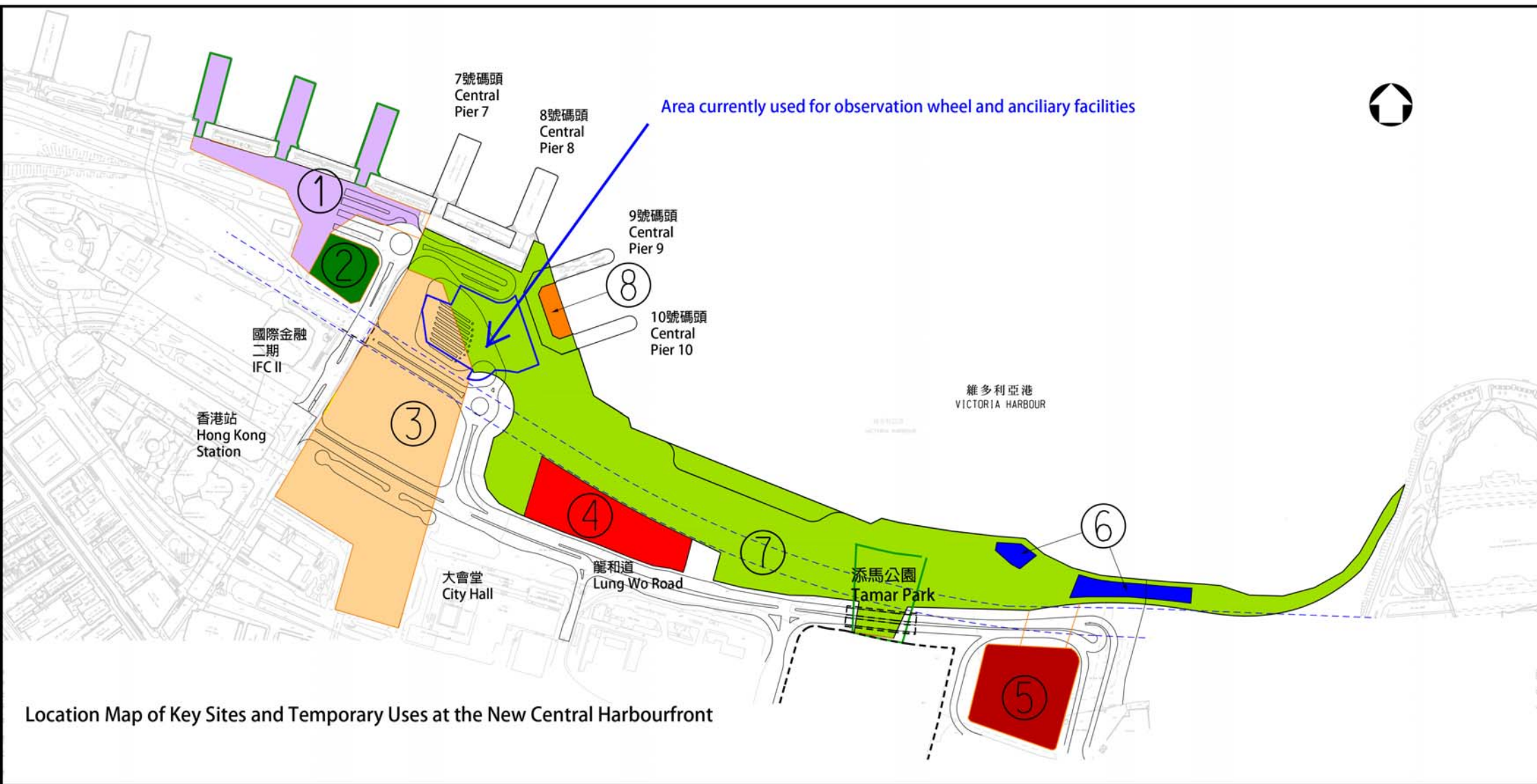
work with other Government departments to monitor the operation of the wheel in the new tenancy term.

WAY FORWARD

10. If the proposal is supported by both the Task Force and CLSAC of C&WDC, DEVB and the Lands Department would work with various Government departments to start working on the various open tender procedures.

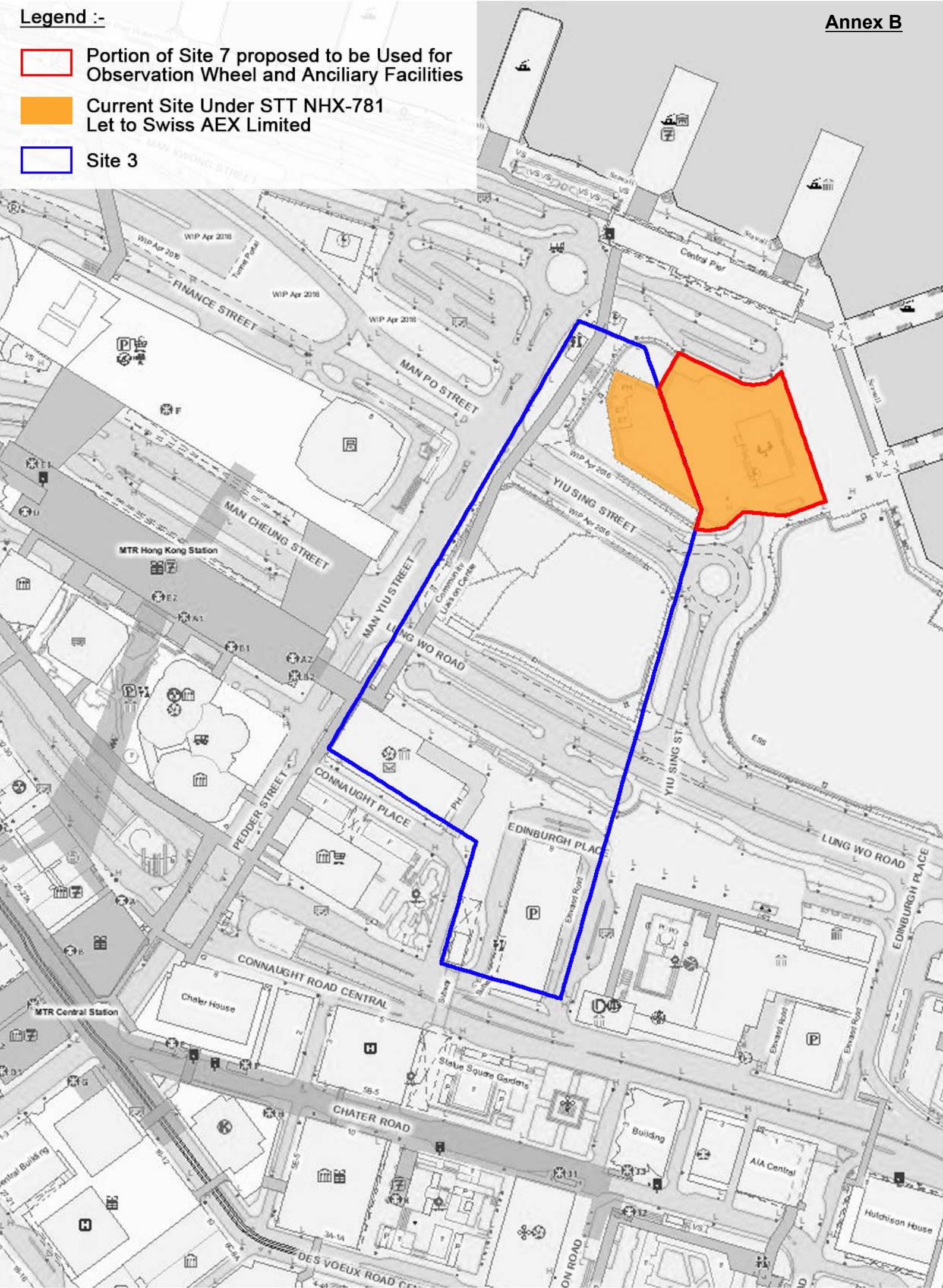
11. Members are invited to give views on the proposal.

**Development Bureau
May 2016**



Location Map of Key Sites and Temporary Uses at the New Central Harbourfront

- Portion of Site 7 proposed to be Used for Observation Wheel and Ancillary Facilities
- Current Site Under STT NHX-781 Let to Swiss AEX Limited
- Site 3



Site Plan of the Current and Proposed Observation Wheel Sites