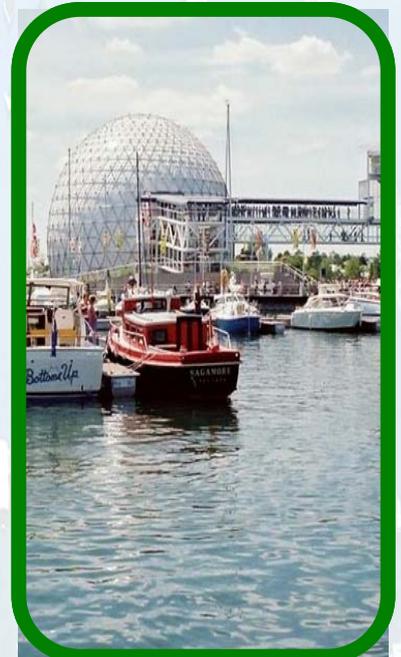


Managing the Vision

Organisational Structures & Harbourfront Management

A Discussion Paper
March 2008



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EXECUTIVE SUMMARY

The objective of this discussion paper is to provide a possible framework within which Government might review potential options for organisational structures and management arrangements to enable the optimal implementation of harbourfront planning and development in Hong Kong. It explores the need for a clearly expressed and understood vision for the harbour and reviews some of the concerns expressed by both civil society and the business community in respect of the current situation, particularly the lack of certainty as to how major harbourfront proposals can and should be taken forward and avoid the delays which have resulted.

The paper reviews the background to waterfront development both in Hong Kong and overseas and analyses the approach taken to organisational structures by some of the cities boasting world renowned waterfront areas. Whilst some of these approaches may not be directly suitable for or applicable to Hong Kong, their commonality is their focus on a single entity with the powers needed to pull together different levels and functions of government and to harness the support of the community to facilitate the formulation, delivery and management of an agreed and documented vision.

The paper concludes by putting forward both interim and longer term proposals - a non-statutory Steering Committee comprising Government officials and private sector representatives with policy backing to coordinate/consolidate planning and development proposals around the harbour to be followed by the establishment of a more formally constituted harbour agency. However, it also suggests that a thorough review of the existing planning and development framework might be helpful prior to putting in place any permanent new administrative structure.

1 INTRODUCTION

1.1 Objective of the Paper

This discussion paper has been prepared to provide a framework for further review by Government as to potential options in terms of organisational structures and management arrangements for the optimal implementation of harbourfront planning and development in Hong Kong. It seeks to explore different organisational structures and arrangements which could be adopted, to analyse their impact on the success or otherwise of waterfront planning and development and, in addition, investigates the best of international experience and draws upon this to further review what might be appropriate in the context of Hong Kong. It asks what kind of arrangements might be most beneficial for the evolution and delivery of a comprehensive Victoria Harbour Vision and how this might be incorporated into the system of Hong Kong governance.

1.2 The Vision

Before considering delivery or implementation structures and arrangements, it is necessary to agree on the ultimate vision as this very much drives the type of institutions required firstly to ensure its initial achievement and secondly to ensure its continued sustainability.

For the purposes of this paper the following is the vision adopted and the rationale which underlies such a vision:

The harbour should be a showcase for Hong Kong's high degree of social, economic, environmental and cultural vibrancy and the quality and sustainability of the public realm surrounding the harbour is fundamental to delivering such a showcase.

An attractive, accessible and lively harbourfront will add to the wellbeing and quality of life of the city and its citizens, act as a draw to increasing numbers of visitors and tourists and be a magnet for the world class human resources essential to the city's continued economic success. A world class harbourfront is increasingly being

recognised by both business and the public as an important objective for Hong Kong in order to maintain the city's competitiveness and uniqueness in an ever expanding global environment.

1.3 Harbour Planning and Development in Hong Kong

Currently harbour planning and development in Hong Kong is undertaken by many government and private sector agencies, all with different agendas and objectives. There is no overarching policy or strategy for the harbour although there are several "visions". This fragmentation and lack of coordination have led to delays in development approvals and implementation which some sections of the business community, particularly the development community, have found frustrating and see as having a potentially adverse impact on the economic performance of the city due to extended under-use of valuable public land resources.

A second concern which applies more generally to the planning of new developments in Hong Kong, relates to urban design and planning standards with building heights, the "wall effect", heritage conservation, building densities and the insufficiency of open spaces and parks both along the waterfront and in the urban areas generally all being topics of significant debate over recent months.

Some see the community concerns simply as a growing, and in a maturing society an understandable, interest in improved standards of living and a better quality of life. Both views have substance and it will be important for a balance to be found whereby essential infrastructure and developments which adhere to high standards of urban design can proceed in a timely manner while taking due account of community concerns in their planning, layout and construction.

The business sector likes certainty – the knowledge that a plan or a policy once approved will be taken forward without material change. It has been the recent lack of certainty, as much as, if not more than, the delays, that has led to the current disquiet at the apparent failures of our existing organisational structures and systems in so far as waterfront projects are concerned. Public expectations

regarding planning standards and urban design, the balance between economic and financial considerations on the one hand and quality of life issues on the other and the role of the community in setting and deciding these parameters has changed over the last 10 years. Several major projects have become hostage to these changes as the type and extent of public engagement has fallen short of what is now expected; hence plans that were thought to be “certain” have had to be revisited due to pressure from various sectors of the community and this has caused not only delays in the implementation process but also uncertainty as to the eventual outcome.

In order to reconcile these areas of concern many in the business sector have come to the view that it may be preferable to put in place organisational structures, systems, policies and arrangements which, while they may make the upfront planning of major projects more protracted, should lead to more certainty in the long run. Such arrangements could include early, widespread and ongoing public engagement on the scope and scale of potential projects, recognition and genuine consideration of the comment and feedback received together with organisational structures and policy initiatives to support such an approach.

As stated in the Planning Department’s Harbour Plan Study completed in 2003 (the 2003 Study), realisation of any vision for the harbour will involve high level planning, design, management and co-ordination with the necessary authority and driving force to secure implementation together with the mechanisms and procedures to overcome constraints and address issues.

Waterfront development is more than just creating a vision for a place or a neighbourhood - it must also address the political and financial aspects of planning and development, and ongoing management and maintenance issues, to have any hope of success.

The question as to precisely what institutional or structural and organisational arrangements are necessary to guide the ongoing design and development of the harbour towards success is a critical one.

As expressed in the 2003 Study, in the Planning Department's view the key requirements of an effective agency to guide the implementation of a harbour plan can be summarised as follows:

- Strong vision to ensure implementation is pursued with vigour and imagination
- Correct focus for setting appropriate priorities between competing demands
- Sufficient powers and authority to achieve effective action directly, by coordinating other organisations, or by partnership with the private sector
- Sufficient financial resources to respond adequately to harbour needs
- Appropriate manpower resources and expertise to ensure high quality design of buildings and open spaces

Its main areas of work would be:

- Better integration of existing functions which are currently administered under a multi-departmental system
- New functions such as business development, marketing, promotion, etc
- Acting as a central point of contact to facilitate private sector involvement

2 WATERFRONT DEVELOPMENT: THE INTERNATIONAL EXPERIENCE

Waterfront development is a complex challenge for many cities around the world and the past 40 years or so of waterfront development experience provides case studies of both successes and failures. All successful waterfront development initiatives share certain characteristics, although the institutional mechanisms may vary from one to another. Successful examples can be found where sponsoring governments have been able to deal with the complicated political, financial and design challenges that waterfront development poses and have managed to move from a broadly inclusive vision through to pro-active implementation. However, in other instances, specific and dedicated agencies have been required in order to pull together all the various stakeholders and deliver an acceptable and successful waterfront plan.

As part of the research for this paper, the experience of other cities which have well respected and attractive waterfronts has been reviewed so as to understand the organisation and structure which they put in place in order to achieve their success. These included the following cities and full reviews of each are attached as Annex 1:

- Baltimore
- Vancouver
- Toronto
- Sydney
- Melbourne
- San Francisco
- Boston

The key factors of these cities' harbour experiences can be summarised as follows (full details are at Annex 1):

- a) Baltimore
 - Private single purpose corporation;
 - Level of insulation from city; and
 - Private / politically neutral executive head.

- b) Vancouver
 - Strong framework of private / public collaboration;
 - Development approvals granted by appointed officials;
 - Strong engagement of community;
 - Process controlled by City Planning Department which advises Council and guides growth and change.

- c) Toronto
 - Result of a Task Force Report geared to a very comprehensive and holistic development (culture, housing, employment, mass transit etc.);
 - Board of Directors and appointed Chair; and
 - Geared to excellence in urban design.

- d) Sydney
 - Harbour Foreshore Authority amalgamated functions of several individual bodies;
 - Responsible for most historically and culturally significant locations;
 - Owns sites and manages property;
 - Must balance community, commercial, heritage objectives; and
 - Provides Place and Project Management.

- e) Melbourne
 - Vic Urban is a statutory authority and Victoria's biggest land developer (very different in scale to Hong Kong);
 - Required to achieve multiple objectives within commercial framework; and
 - International standard place management services.

- f) San Francisco
 - Port Authority financially independent;
 - Oversees broad range of commercial, maritime and public activities, port uses, and tourism (Fisherman's Wharf);
 - Well-educated and opinionated citizenry; and
 - Community-based waterfront planning process with Advisory Board from all walks of life.

- g) Boston
 - All planning in the city comes under Boston Redevelopment Authority;
 - Serves as renewal body, industrial development corporation and planning board; and
 - Important downtown landowner

In addition to its own research, HBF has also had regard to recent academic analysis of the institutional experience. In an article which formed part of *Remaking the Urban Waterfront* (published in 2004 by the Urban Land Institute) Professor David L.A. Gordon, an established authority on urban and waterfront planning from the School of Urban & Regional Planning, Queen's University, Kingston, Ontario noted that there are some fundamental lessons that can be learnt about how institutional arrangements have been devised to suit the needs and circumstances of different cities. Amongst Gordon's core lessons is the idea that implementing waterfront development projects is far more difficult than planning for them and that this requires a dedicated waterfront development agency of some kind – whether it be an independent authority, an inter-department task force or public/private partnership.

Gordon makes the point that the challenge of delivering the vision is great and requires a key driver to direct the work over difficult hurdles and a process by which change is understood and desired. Gordon states that agencies that possess certain characteristics and follow best practices achieve faster project implementation. Whilst he highlights three major areas that waterfront agencies must address – Political, Financial and Urban Design – of most consequence for the consideration of this paper is how relevant government authorities deal with the political or structural aspects.

In Gordon's view it is essential for a waterfront agency, in its various forms, to have good relations with (and create no surprises for) the relevant city or regional government. This can be best assured if the agency's officers and board of directors are well connected to all levels of government; however, the political components of waterfront development are such that successful agencies almost always also have very good relations and interaction with local residents - it is not sufficient that the agency only has good connections to one or the other. Further, for successful waterfront development it is essential that private development is linked with public benefit and that Government/Institutional uses are sensitive to aspirations for greater public access to the water's edge.

For the implementation of waterfront redevelopment in Hong Kong these issues are critical and of great consequence.

Gordon makes the further observation – that the best waterfront development examples are those where the local government fully understood the potential consequences of their actions and orchestrated their waterfront development agendas in this light. Indeed the successful examples nearly always develop a broadly inclusive vision of the objectives of waterfront planning before taking any positive action in development terms. This inevitably also includes the engagement of the private sector and the community at large.

Gordon cites the example of the first attempt to develop the London Docklands where the local authorities created a committee to negotiate political agreement for a plan without private sector involvement. The 1976 London Docklands strategic plan had unrealistic development objectives which ultimately led to problems attracting investment. The political aspects of development are often the most difficult for governments but experience has shown that no matter how brilliant a development vision – or a waterfront/harbourfront masterplan – if the political aspects of such development have not been dealt with properly there is little or no hope of success. In Hong Kong this has been a challenge in recent years and one that needs to be further addressed.

Martin Millsbaugh, the former Director of the Baltimore Waterfront Development Corporation, and responsible for the delivery of the famous Baltimore Harbour development, confirms many of Gordon's conclusions. Writing in 2001 in *Waterfronts in Post Industrial Cities* about waterfront "delivery systems" he states that the most successful waterfront development projects have been directed in the implementation, or production, phase by the creation of ad hoc, quasi-public management systems. These systems come into play after the vision or the master plan has been established through the playing out of the earlier phases:

- (a) the initial intuitive drive for a new image;
- (b) the sorting out of land planning and urban design alternatives;
- (c) public review and reaction to the plan and, hopefully;
- (d) authorization through the relevant political/administrative process for the Government to proceed with implementation of the plan.

According to Millspaugh the key to a “delivery system” is to have a mechanism that is able to conduct business like a private entity for the sake of speed and efficiency, but which also remains subject to the policy and fiscal control of public officials. Such an entity can take many forms, depending on the laws and customs of the city and the nation involved. In Baltimore, the solution was a private, single-purpose, no-stock corporation which was contracted to manage the development process as the surrogate of the Mayor and City Council. The contract called for the municipality to pay all of the costs of the corporation’s operation, and for the corporation to turn any profits over to the municipality.

Baltimore’s experience launched a wave of waterfront development around the world as cities began to realize the tremendous potential that could be realized on their water, river and harbour fronts. However, in terms of the organisational structures of the delivery systems there is not a one-model-fits-all. As Millspaugh states such entities take many forms, depending on the laws and customs of the locality and the country involved. However, in general, few municipal governments directly implement waterfront development projects.

Gordon speculates that this may be due to broad concerns about the fiscal and political capacity of such authorities to carry out complex, long-term development projects.

From the HBF research and the views expressed by academics, we can consider several possible institutional waterfront arrangements that have been used in various locations:

- Waterfront development councils;
- Special private for-profit development corporations;
- Public-private development ventures;
- Single-purpose public not-for-profit redevelopment agencies;
- Port authorities; and,
- Quasi-public development corporations.

Waterfront development councils (or committees) are the simplest to establish and are useful for debating initial waterfront development plans. However committees such as London's Dockland Joint Committee and Toronto's Waterfront Regeneration Trust had little success in dealing with complicated urban waterfronts where multiple stakeholders and contentious politics characterized the development situation.

Special private for-profit development corporations – or master developers - have been used on waterfront projects. Olympia and York at London's Canary Wharf and Charlestown Navy Yard Redevelopment in Boston are two examples where master developers were used. Gordon notes however that the sponsoring government may forfeit control of the project and that at times the private interest and public interest may diverge. Olympia and York's bankruptcy in 1992 was a major blow to the credibility of the British Government and of the Canary Wharf development and the financial difficulties of the Toronto Waterfront Corporation which was established in 1976, led to it being dismantled in 2001. In the latter case, a new waterfront agency was established in 2003, the Toronto Waterfront Revitalization Corporation, after several years of negotiation between the federal, provincial and city governments and with very different characteristics to the original entity.

Public-private development ventures are a common mechanism for development in the United States. This method may be appropriate for single waterfront projects with a limited number of phases. The structures of public-private partnerships vary widely – from situations where the public donates land and infrastructure to real estate joint ventures to tax increment financing.

Single-purpose public redevelopment agencies have been used for large-scale British and Canadian waterfront developments. In the United States several port authorities have been, and continue to be, involved in waterfront development. Examples of this can be found in Long Beach, San Pedro, New York, Seattle and San Francisco. Boston's experience in waterfront development is closer to that of the British experience. The state-chartered Boston Redevelopment Authority is controlled by the Mayor of Boston's office and is primarily responsible for the Boston waterfront.

Quasi-public development corporations are proven vehicles for the implementation of waterfront development projects. This kind of corporation may need a level of political insulation from the relevant government authorities to ensure active, broad based support over a long period.

Some of the most effective of these corporations may control waterfront land, have a powerful and independent board of directors, a streamlined development approval process, access to start up capital and freedom from restrictive personnel and budget policies. In addition there is usually an entrepreneurial chief executive who recruits key staff from government and thus pre-empts opposition from technical agencies like transportation and planning departments.

None of these examples will work in all circumstances nor would all of them necessarily be appropriate to the particular governmental structure applicable in Hong Kong. However, they provide a basis for further discussion and debate and an indication of the challenges and issues that need to be addressed when considering the optimum arrangement for any particular jurisdiction or waterfront.

3 HONG KONG INSTITUTIONAL CONTEXT

Historically, the harbour of Hong Kong served a leading role in economic development and that role still prevails. Be it as a fishing village or an international trading hub, Victoria Harbour has provided the needed navigation channel and shelter for all kinds of vessels, and until recent decades associated marine activities have consumed much of the immediate hinterland.

Planning and development of the land and marine elements of the Hong Kong harbour, both of which naturally impact the harbourfront, fall under completely different statutory and administrative jurisdictions. The Transport and Housing Bureau, the Marine Department and the Hong Kong Port Development Council share the responsibilities of strategic planning and development of marine related activities, and the Government administration takes up the daily management. This means that any planning or development proposals along the waterfront that impact on either the primary or secondary function of the harbour will inevitably trigger involvement of departments beyond the jurisdiction of the Secretary for Development – the authority in the context of land-based planning and development.

In addition to the mass of other legislation related to land and building development and management, any plan for Hong Kong's harbour has to take shape within the statutory framework of three major pieces of legislation: the Foreshore and Sea-bed (Reclamations) Ordinance, the Harbour Protection Ordinance and the Town Planning Ordinance.

Protection of the harbour from a “community value” point of view and utilization of the harbour from an economic development perspective may sometimes be complementary but at other times contradictory – a balance is required and, as is often the case in such situations, when there is little involvement in the decision making process by other than Government officials, the public at large does not always accept that both sides of the issue have been given due consideration and weight.

From an organisational perspective, the Foreshore and Sea-bed (Reclamations) Ordinance has a minor influence, given the importance and sensitivity attached to the Harbour Protection Ordinance, which is of significant relevance when considering the planning and development of the harbour districts. The Town Planning Ordinance has no relevance in so far as the waters of the harbour are concerned but is, of course, a very important factor in planning the land areas fronting the harbour edge.

The Town Planning Board, an independent plan making and approval authority but with a Government official as Chairperson and serviced by the Planning Department, is not constituted to undertake any master planning, development delivery or management nor does it have any role in engaging the public on non-statutory planning issues. It is charged with approving or refusing applications in respect of re-zoning of OZP's or changes of land use and, as such, potentially has significant power to influence the type and quality of planning and development in the city. However, although the Board is made up of private sector appointees, the fact that it has a Government official as Chairperson and is serviced by the Planning Department means that some in the community perceive it as being more likely to support the planning status quo than to exercise real influence for improvement.

The ability of the community to now comment on plans submitted to the Board has put it a great deal more in the public eye and greater public involvement has resulted in more of its decisions being tested by referral to Judicial Review. In so far as the strategic planning of the harbour is concerned it may at best safeguard, on behalf of the general public, good planning and design principles by exercising its power to reject proposals. Under current legislation it does not have the mandate to co-ordinate or to implement whatever vision it might share, although it took the initiative in 1999 to draw up its own Vision for Victoria Harbour.

Within the Government administration, it is understood that there has to date been no formal policy co-ordination, not to mention a decision-making structure, that cuts across the policy bureaux and departments when it comes to matters connected with the harbour or the harbourfront. The Committee on Planning, Development and Lands, a top-level steering committee within the Development Bureau, is at most a

co-ordination platform with no conflict resolution function for issues like harbour planning that require input and commitment from other bureaux and departments.

The Planning Department serves as the executive arm of the Town Planning Board in preparation and processing of statutory plans. It also has functions and responsibilities as regards preparation of territorial, sub-regional, district and local plans. However, implementation of planning proposals falls entirely on other Government departments, and the nature of Planning Department's daily business is highly regulatory rather than facilitating in nature.

The Leisure and Cultural Services Department (LCSD) is responsible for implementation and management of cultural and leisure facilities including public open space, museums, libraries; etc. The Lands Department is responsible for disposal of Government land, Government lease administration and the negotiation of land premiums when payable. The Highways Department, Drainage Services Department, Civil Engineering and Development Department are responsible for implementation of most infrastructure projects. And there are many more departments and agencies within the Government tasked with special duties but working on different programmes and agendas. In short, the current institutional framework is highly fragmented and while each individual authority may have a clear role in their own business arena, they have diverse interests and priorities in harbour planning, development and management.

Historically, there has been no shortage of successful examples of effective institutional arrangements that pulled together necessary resources from various Government sectors for a single strategic goal. The New Airport Project Co-ordination Office responsible for works co-ordination for timely delivery of the Chek Lap Kok airport core projects, and the many development offices under the previous Territory Development Department that co-ordinated both planning and implementation of almost all new towns in Hong Kong, are undoubtedly valuable reference points. Subsequently the Steering Committee on Land Supply for Housing, chaired by the Financial Secretary and then the Chief Secretary, was able to monitor and resolve issues relating to territory wide development affected by numerous public and private sector agencies.

Even though efficient and effective, the previous successful institutional models might still fall short in delivering the quality design and management services required for a world-class harbour front and public realm. The design standards adopted in other world class waterfronts far exceed the flexibility allowed within current Hong Kong Government practice, no matter how significant recent improvements have been compared to the past. A major hurdle for adopting high quality designs, especially those which are creative or innovative, is the general concern of public sector implementation agencies as to their future maintenance and management, let alone thorny issues such as wider policy implications and liabilities.

Much of the time, the many agencies playing different regulatory roles are in fact counter acting effective delivery of visionary proposals and high quality non-standard design for good bureaucratic reasons. Even a smooth running building development programme may take some six to seven years from inception to completion. Other possible statutory requirements such as environmental impact assessment and road gazettal could easily absorb two more years, even without unexpected legal proceedings. In the absence of a conflict resolution system, plans can sit in desk drawers for decades.

Agencies like Food, Environment and Hygiene Department, LCSD and Highways Department are by and large providing caretaking services for the public realm, including roads and amenity areas. With all due respect to an experienced programme organizer and event promoter like the LCSD, robust management of a mixed use waterfront is beyond the capacity of any single department within the Government.

It has also to be admitted that a vision for the harbour is not altogether clear from a public perspective although there has been a significant upturn in interest in harbour issues in recent years. Discussion has become more focused and there is greater agreement on general principles, although as yet no majority view, at least amongst major stakeholders.

In Hong Kong, the executive-lead model of Government is commonly accompanied by advisory bodies for effective consultation and engagement of key stakeholders. The Harbourfront Enhancement Committee was established in 2004 as such an advisory body to facilitate and monitor community engagement on harbour planning issues. With members from all walks of life appointed by the Government, the Committee has proven to be a useful platform and arena for a public exchange of views.

However, its work during its first three years was to some extent compromised by the limited and rigid approach to “public consultation” adopted prior to its establishment and the unwillingness of Government to recognise that community attitudes and aspirations have changed since the late 1990’s. As a result projects with which the public acquiesced in 1998 or even 2002, sometimes through lack of information and sometimes due to their greater focus on economic improvement, no longer find favour. There appears to have been an ongoing reluctance on the part of the Administration to review these projects, even though development work might not have commenced, and the HEC, certainly during its initial term was unable to facilitate as many plan amendments as it would have liked. However, the HEC has recently commenced its second term and under this its terms of reference now are as follows:

- (a) Provide feedback to and monitor the reviews on the remaining proposed reclamation with the harbour, namely the Wanchai North and Southeast Kowloon reclamation proposals;
- (b) Advise on the planning, design and development issues including land use, transport and infrastructure, landscaping and other matters relating to the existing and new harbour-front and the adjoining areas;
- (c) Advise on means to enlist greater public involvement in the planning and design of the harbour-front areas; and
- (d) Explore a sustainable framework to manage the harbour-front areas, including public-private partnership.

There are also numerous examples of independent agencies set up with key policy and implementation targets. Properly constituted agencies like the Airport Authority

and the Hospital Authority are examples of agencies which are mandated by the Government, through legislative as well as administrative and financial means, to deliver specific policies and tasks. These agencies possess a high level of independence in daily operation and management, while the government and the general public, to some degree, can monitor and maintain strategic input through various mechanisms provided in the related legislation. The business nature and power of these agencies may vary significantly, but they share the same institutional characteristics – independent statutory body supported by public finance with a clear mandate from the Government. Yet, this model has not been employed for harbour planning and development.

4 POSSIBLE OPTIONS FOR HONG KONG

The issues facing harbour planning and development in Hong Kong are inter-linked in nature and have resulted in a lack of success on the part of Government in convincing the community that it is committed to improved harbour planning or that it appreciates the value of the harbour as an important natural public asset which should be enjoyed by all.

This is largely due to the following factors:

- Most of the public engagement exercises in Hong Kong involving harbour plans have, to date, involved projects which have been under planning for several years and certain parameters, at least in Government's eyes, are already fixed. This has resulted in the public seeing limited evidence that its views have been taken seriously. While some changes to existing plans have been achieved, strong demands for review of certain major projects such as the cruise terminal, the Kai Tak stadium and the P2 road in Central have largely been over-ruled. This would appear to indicate that, in the past at least, too much planning was undertaken, and too many assumptions were made, prior to investigation and ongoing and transparent review of public views and aspirations.
- High land values in Hong Kong, particularly in the central districts, and the embedded system of high Government returns from land sales means that the Administration is very reluctant to see too much land allocated to what can loosely be termed "amenities" (including parks and open space) as against uses for which developers will compete and pay land premium. While other cities such as Chicago and Baltimore also have high land values, they were not so notably significant during the planning and development of their world recognised waterfronts;
- To an extent this has now been recognised by Government and new ways of engaging the public are under consideration. Hopefully, procedural arrangements going forward will be re-structured in such a way as to allow

early public participation and a more flexible, ongoing and co-operative interaction as between Government departments and society at large, not only at the beginning of any planning process but at intervals during the preparation of the plans and again prior to and during their implementation or revision;

- The existing, well-established but highly fragmented policy formulation, plan-making (there are some 18 OZP's impacting on harbourfront planning but no one overall, holistic plan) and implementation systems within the Government, whilst successful in meeting strictly functional, financial and bureaucratic criteria have not been effective in delivering the quality harbour to which the community now aspires. In areas such as public engagement, preparation and interpretation/implementation of business plans for extensive mixed use developments, and management of the differing elements of the public realm, the remit and capacity of the existing administrative structure is far from adequate;
- The unknown nature of the level of real mass 'community' support, partly through lack of organised, participatory vehicles and partly through there being little for the public to relate to in terms of waterfront tradition. In this connection it was interesting to note the strength of the interest in both Star Ferry and Queen's Pier – two of the few "heritage" structures located on the harbourfront.

As the international examples show, Hong Kong's situation is not entirely unique (although neither is there another jurisdiction with which it is entirely comparable). The planning and implementation structures adopted by those cities with impressive and admired waterfronts were presumably only introduced after considerable thought and debate and many of the cities have had to tackle similar types of issues to those experienced here in Hong Kong. Despite the difference in mandate and level of responsibility, the commonality between these examples is in the empowerment of a single organisational entity or agency to facilitate the formulation and delivery of a vision and mission within a specified waterfront area and ultimately such a focused entity may well be the optimum solution for Hong Kong.

Such permanent bodies are usually straightforward in structure, minimise, so far as possible, disruption to existing administrative institutions and optimise the expenditure of public resources. Adequate checks and balances are generally maintained at strategic level through statutory provisions, or through administrative and government structures.

The approach has obvious advantages when it comes to planning a specific area on a comprehensive/holistic basis, gaining mass support for an overall harbour vision whilst maintaining flexible but effective implementation and management through an administrative vehicle – one that carries all the needed powers and resources for the purpose of a single mission; i.e., to improve planning, design, development and management/usage of the waterfront so as to enhance the attractiveness and competitiveness of the city. Such a body, if comprised of a mix of respected public and private sector representatives and seen to be independent of Government (although working closely with it), should be able to secure public credibility and to achieve the balance between economic development issues and growing community aspirations for a more accessible, attractive and vibrant waterfront.

Ideally, in Hong Kong, such an entity would be an independent body endowed with the necessary powers and authority to further develop the vision and to co-ordinate the implementation and management of programmes and plans. Although full details are not yet available, it may be that the authority proposed to implement and manage West Kowloon would be an appropriate model for an extended, harbourwide agency (subject to a membership more suited to the issues of the harbourfront as a whole) and that it could possibly evolve into such an entity once the West Kowloon initiative is successfully established.

However, to constitute such a single 'harbour agency' in Hong Kong would inevitably involve the bringing together and restructuring of the relevant existing departments, bodies and organisations and would such a restructuring be the optimum solution without a fundamental overhaul and update of our current fragmented planning, lands and buildings systems and the inter-related issues that would go with this?

Possible Interim Solution

It may be that prior to any centralised agency for the harbourfront being put in place, the first step should be to update these systems in the context of sustainable development and present day strategic and community planning objectives. An independent harbour agency could then be incorporated within the new system's framework and associated administrative structures so as to achieve comprehensive and holistic harbourfront planning, development and management.

To fill the inevitable void in time and action that such a long term proposal and the related administrative and legislative procedures would entail, establishment of a more cohesive entity within the current administrative structure could be a realistic intermediate arrangement, assuming the determination of all parties to make it work.

Such an arrangement could take the form of a high-level Harbour Steering Committee, preferably chaired by a Deputy Chief Executive or the Chief Secretary (using the model of ADSCOM or HOUSCOM). The committee would be formed within the Government to review the statutory plans for the entire harbourfront, say to a depth of 100 metres from the water's edge, and oversee the progress and quality of relevant proposals within a clearly defined vision. Selected representatives of the public and members from the Harbourfront Enhancement Committee (HEC), the Harbour Business Forum (HBF) and other relevant, publicly respected organisations should be invited to participate to ensure public views are considered and incorporated from the earliest possible stage.

The Government could indicate its commitment through the establishment of a dedicated vote for funding the realisation of the harbour vision with a road map and clear time horizon for implementation. Potential policy conflicts could be resolved at this level and decisions could be translated into comprehensive action plans and programmes for implementation by the relevant public and private agencies. Such a partnering approach would be welcomed by many in the community and it is likely that an entity with an element of private sector involvement is likely to secure greater public trust and cooperation than one which only comprises Government representatives.

The HEC, as recently re-constituted, could provide input and support in the management of effective and wide ranging community engagement programmes (which should be dynamic, interactive and, importantly, ever evolving), a function which it already has the experience to perform, assuming provision of adequate Government administrative and financial support.

The Harbour Steering Committee would also take responsibility for the holistic management and maintenance of the public areas at the harbour edge, including the planning and arrangement of activities in and around the harbour, planning and provision of appropriate public amenities in these areas and oversight of the interface between land based and water based activities. The LCSD does not appear to be structured or equipped to undertake such a broad based, pro-active role and therefore another more flexible and public facing solution is required, including perhaps the engagement of suitably qualified and experienced private sector management organisations.

This Harbour Steering Committee would also be charged with investigating and making recommendations as to the optimum form and structure of the permanent "harbour agency" that could in time take up all of the above tasks.

5 CONCLUSIONS

It is clear that there is not one but many approaches that have been successfully adopted to planning, developing and managing harbourfronts throughout the world. Quite apart from their different planning contexts and situations when compared to Hong Kong, the overseas examples also largely represent quite different organisational or operational scenarios relative to each other. These differences lie at two levels:

- the underlying objectives, physical extent and levels of coverage / responsibility; and
- the levels of political will, public / private emphasis and planning / design co-ordination.

Clearly, therefore, any change in our institutional structures must have regard to Hong Kong's own circumstances and needs. Nevertheless, the following lessons may be relevant and applicable:

- the commonality between the examples appears to be the establishment by law of a single organisational entity which overcomes the different levels and functions of government so as to facilitate the formulation, delivery and future management of a well documented vision/mission. Some cities have tackled issues and challenges similar to those in Hong Kong, and most have a quite comprehensive remit with statutory, administrative and political checks and balances, and a generally sympathetic and well-attuned political framework;
- Such bodies generally have a management board which is mostly non-official in nature or a mix of official/non-official members and they are generally financially independent;
- A key factor relates to the catalysts and motivations behind each entity, and whether the new organisation filled a vacuum or was essentially set up to streamline procedures. In Hong Kong a single agency would have to almost

totally restructure existing systems and procedures, and a fundamental issue is how, under what auspices, and with what remit this could be brought about.

- There needs to be an acknowledged need and a political will, whether this emanates from government, the private sector or the public within the prevailing political and policy structure;
- There is a need to synchronise all these different levels, through adequate institutional and organisational structures, political will, a responsive regulatory regime, realistic public participation, visionary thinking and systematic planning, with responsive tools and mechanisms to facilitate action and ensure that the process does not take over from the product;
- There is a need for maturity, trust and conviction within the prevailing political and policy structure that the new (or almost new) and complex processes inherent in an new institutional structure can best meet important existing and emerging issues and challenges. These include public and private sector needs and the more open-ended and ambiguous needs of the future geared to investment competition, development trends, tourism growth etc. This means that everyone involved must broadly recognise a range of issues and challenges in the first place;
- There needs to be an acknowledgement that the organisational approach itself must be flexible and, to a large extent, pragmatic. It must also be geared not to “managing the process” but to facilitating “change management” in order to incorporate many factors into the decision-making process. Such factors include the integration of policies, plans and programmes within an identified and agreed vision as part of a complementary participation, communication and engagement programme; and
- There needs to be input from experienced professionals who have real and relevant expertise – not merely politically expedient appointments on the basis of proven neutrality.

Given the above it may be that what Hong Kong needs, prior to any new and centralised organisational structure being put in place, is a high-level commission or Task Force to review the whole framework of planning and land administration across the city, how to procure excellence in urban design, the development of community participation and engagement processes, the procedures for weighting and balancing conflicting or non-complementary proposals and the financial implications of such developments.

The justification for such a fundamental review is simple – the need to move the city forward in terms of urban planning/design and truly sustainable development and the planning, delivery and management systems required to achieve this.

BALTIMORE

Baltimore's Charles Center - Inner Harbour Management Inc.

The corporation responsible for the redevelopment of the Baltimore Inner Harbour was named Charles Center - Inner Harbor Management, Inc., because the Mayor at that time wanted to make sure its purpose was focused strictly on those two projects, and not on creating a larger empire for itself. The corporation was a private, single-purpose, no-stock



corporation which contracted to manage the development process. The contract with the City gave the corporation a specific list of functions:

- to coordinate (not duplicate) the normal functions of City Government in the project area: property acquisition, relocation of existing uses, design and construction of infrastructure, and public funding and appropriations;
- to act as spokesman for the plan and the process, creating favorable public relations both locally and externally;
- to recruit developers — private, public or non-profit — who would construct the uses called for by the Master Plan, and to negotiate development agreements with those developers for approval and execution in public by officers of the municipality
- to review and coordinate the architectural design of all construction, both public and private, to ensure a uniformly high standard of aesthetic quality throughout the projects;

- to control and coordinate the timing of construction, in order to achieve a complementary phasing process and minimize the disruption of other activities, and;
- to monitor evolving changes in the marketplace and identify changes in the Master Plan as they became indicated.

The corporation had a level of insulation from the City. Obviously, such a public-private contract could be a disaster if it were allowed to run the gauntlet of changing fortunes and factions in local politics. In Baltimore, that was avoided by, first, the designation of respected private, politically neutral executives to head the management corporation, and second, by the early and continuing success of the implementation process, which would have made it very unpopular for any politician to interfere for the wrong reasons.

VANCOUVER

The Vancouver Urban Planning Department



Vancouver has become a model for other cities not only as a result of its waterfront redevelopment but also in terms of its “progressive” planning process. The development process in Vancouver comprises several stages. This process of “progressive planning” is based upon a highly discretionary regulatory framework, which emphasizes guidance and incentives over hard regulations. Progressive planning is an exhaustive process of collaboration between the public and private sectors and the community. All three are engaged in constant dialogue throughout the course of a development. The public and private sectors join forces for the design exercise, policy is determined by politicians, development

approvals are granted by appointed officials, and for the most part, City decisions are final with appeals being rare. The result is that the rezoning process seldom stalls, because the community has been engaged thoroughly in the process.

The renaissance of the Vancouver waterfront derives from a specific period in the history of the city, with implementation of the regional growth strategy going into full gear after Expo 86. The entire Expo site, comprising some 204 acres, except for BC Stadium, was sold to a consortium of international developers under the name of Concord Pacific. The sale was conditional upon approval by the city of a development plan that conferred a certain amount of floor space and specified a package of public benefits. So whilst the City was not responsible for the implementation of the development, it guaranteed a high level of public amenity

through the development planning process. In addition to basic infrastructure, this package included 17 hectares of parkland, a continuous walking and bike system, a community center, childcare and school sites, a public art programme, and a 20% social housing requirement. The development plan was devised under a cooperative planning model, between the city, the province, the developers, their consultants, and the public.

In Vancouver the implementation of waterfront development is left to private developers. However the process by which development plans are approved is controlled by the City Planning Department*. The Planning Department's two divisions, City Plans Division and Current Planning Division, advises Council on policies which guide growth and change in the City, with an emphasis on land use and built form. The department considers the implications of a wide range of social, economic, physical and environmental issues on the liveability of the City.

** The Department is responsible for administering the Zoning and Development By-law, and Official Development Plans, as well as responsibility under the Provincial Heritage Conservation Act.*

TORONTO

Following the release of the Toronto Waterfront Revitalization Task Force's report in March 2000, the Government of Canada, the Province of Ontario, and the City of Toronto jointly announced their support for the creation of the Toronto Waterfront Revitalization Corporation ("TWRC"), now re-named Waterfront Toronto, to oversee and lead waterfront renewal.



Waterfront Toronto was established in 2001 and its overall scope covers the development of 750 acres of waterfront parks and public spaces, 40,000 new homes in mixed use neighborhoods, 1 million square meters of employment space, major cultural and recreational attractions along the waterfront and an expansion of public transit.

The mission of Waterfront Toronto is to put Toronto at the forefront of global cities in the 21st century by transforming the waterfront into beautiful, sustainable new communities, parks and public spaces, fostering economic growth in knowledge-based, creative industries and ultimately: re-defining how the city, province and country are perceived by the world. Whilst some improvements have already been completed, 2007/2008 will see the expansion of the corporation's core business from planning and smaller scale projects to implementation and development of major parks and recreational facilities, waterside destinations and new sustainable, downtown communities that are affordable to everyone.

Working with the community and public and private sector partners, Waterfront Toronto's mission is "to create waterfront parks, public spaces, cultural institutions

and diverse and sustainable commercial and residential communities that will ensure that Toronto becomes the city where the world desires to live”.

The corporation is governed by an 11-member Board of Directors, including the chair and local representatives, appointed by the federal and provincial governments and the City of Toronto. Corporate authorities and accountabilities are set out in Bill 151. The three levels of government jointly fund the corporation and appoint the Board of Directors.

Overall Corporate Objectives of Waterfront Toronto are;

- Develop accessible new waterfront communities that offer a high quality of life for residents and visitors alike
- Attract innovative, knowledge-based industries to the Port Lands
- Engage the community as an active partner in revitalization
- Develop strategic partnerships to attract private sector investment

Toronto's revitalized waterfront is characterized by excellence in urban design. What is built on the waterfront, from buildings to streets to parks and public art, sets new standards for architecture and public space across the city. To help achieve and uphold these standards, the Waterfront Toronto has created the Waterfront Design Review Panel.

Sustainable development is a key driver of the revitalisation plan and in 2004/05 Waterfront Toronto released the final version of its Sustainability Framework.

SYDNEY

Sydney is a case where the city's development process has been complicated and at times compromised by jurisdictional fragmentation. For many years, a proliferation of consent bodies, competing for the control of Sydney's relatively small central city area, has encouraged a feudal mindset on the part of many city planners and authorities. This led to conditions where major city redevelopments have become unnecessarily confined within artificial boundaries, resulting in the squandering of opportunities to integrate new pieces of city with the existing fabric. However efforts have been made to streamline institutional arrangements.



In recognition of these inefficiencies, the Sydney Harbour Foreshores Authority (SHFA) was formed in February of 1999, amalgamating the functions of the City West Development Corporation, the Sydney Cove Authority and the Darling Harbour Authority (in January 2001).

SHFA is responsible for Sydney's most historically and culturally significant waterfront locations. The role of the Authority is to:

- Restore, preserve, manage and promote some of Australia's most important heritage buildings and areas.
- Run events, community and education programs.
- Manage properties, carry out capital works and undertake major projects.

The SHFA is one of the biggest landholders in Sydney, owning just over 400 hectares. It also manages a number of other properties on behalf of other NSW Government agencies. SHFA land holdings include two major precincts: The Rocks and Darling Harbour. It also owns key foreshore sites around the Harbour.

SHFA is charged with the responsibility of balancing community, cultural, tourism, heritage and commercial objectives. Since its establishment SHFA has returned more than AUS\$50 million in dividends to NSW Treasury, and funds its own operations principally from rental and other property income. It uses this income to provide around AUS\$21 million in community service obligations annually with an additional AUS\$10 million on property/heritage related capital works each year, as well as funding the usual costs associated with being a property owner and manager.

SHFA is both a place manager and a place maker. The Place Management Division provides a range of services, including project management, maintenance, operational, horticultural, security and logistics, compliance, planning, heritage and urban design services. Its scope includes policy advice, assessment of development applications (as delegated under the *NSW Heritage Act 1977*) and determination of conditions regarding urban design, heritage, landscaping and archaeological considerations.

MELBOURNE



The Melbourne Docklands Project, the largest waterfront development in Australia is under the auspices of VicUrban, the Victorian Government's sustainable urban development agency. VicUrban is a statutory authority and Victoria's largest land developer. It carries a diverse portfolio of projects including developing new suburban communities on the urban fringe, the waterfront Melbourne Docklands project, urban renewal projects on surplus government or industrial land and Victoria's "Transit City" Program projects.

VicUrban's projects are required to achieve multiple objectives and create opportunities in terms of the establishment of community infrastructure, enhanced environmental performance and housing affordability. This approach acts as a filter in considering new business opportunities. New projects are required to meet these objectives within a commercial framework. VicUrban has a specific mandate to undertake major urban renewal projects, particularly in areas where there has been market failure and impediments need to be overcome. This approach is consistent with the *Melbourne 2030* plan, the document guiding Melbourne's development.

VicUrban is responsible for Australia's largest waterfront-development project, Melbourne Docklands, which continues to evolve with 4,000 residents, 5,500 office and retail workers and over 5 million visitors during the year. Further development and sale of remaining land is progressing. Strong commercial office interest in

Melbourne Docklands' locations has balanced a slower residential market. Docklands is integrated with existing public transport, road systems and social infrastructure including Melbourne's central business and activity centre.

The rapid creation of the site as a new and exciting Melbourne precinct has necessitated a strong focus on the provision of international-standard place management services, including cleaning, security and landscaping, along with effective wayfinding, strong brand building and the provision of attractive event venues.

SAN FRANCISCO

In San Francisco the Port Authority is responsible for waterfront development. Unlike other locations, however, the Port is structured the same way as any other City department with its Commission being appointed by the Mayor. The San Francisco Port Authority does enjoy some autonomy from the City, in that it is financially independent and



revenues generated by the Port can only be used for public trust purposes. It is in the unique position that it must further statewide interests and do so without monies from the City's general fund.

Unlike some Ports, which primarily manage shipping and/or airport operations, the Port of San Francisco oversees a broad range of commercial, maritime and public activities. In some areas, like Fisherman's Wharf, maritime activities (in this case commercial fishing) have become the background amenity for the City's thriving tourist economy. In other areas, the Port uses piers for maritime support services such as ship repair, tug and tow operations, and a Foreign Trade Zone, largely outside the public's consciousness. The Port Commission oversees this myriad of activities, balancing the often competing interests of maritime and commercial tenants, public trust responsibilities to the people of the State, and responsibilities to the people of San Francisco, whose waterfront it oversees.

As is the case in many cities, reaching consensus in San Francisco on any subject related to waterfront redevelopment is challenging. When it comes to consensus-based planning, what clearly is one of the City's greatest assets – its diverse, stimulating, well-educated and opinionated citizenry – is also one of its greatest challenges. This is especially true on the San Francisco waterfront where many

were skeptical of the ability of the Port to conduct an open and thoughtful planning process.

To the surprise of many watchdog groups, the Port addressed these concerns head-on by taking the unprecedented step of creating a community-based waterfront planning process. The Port first solicited applications for a 27-member Advisory Board with representatives from all walks of City and waterfront life. Members included representatives from the Mayor's office, other elected officials and decision-makers, maritime, business, environmental, open space and urban design interests, and each neighborhood or district adjacent to Port lands. The Advisory Group had the daunting task of independently recommending a Waterfront Plan for Port Commission consideration.

BOSTON

In Boston, planning and economic development comes under the control of the Boston Redevelopment Authority (BRA). The port authority, Massachusetts Port Authority ("Massport"), is an independent state agency entrusted with developing, promoting and managing airports, the seaport and transportation infrastructure. Both Massport and the Boston Redevelopment Authority ("BRA") fall under the control of the State for any development activity on the waterfront, in particular the auspices of the Secretary of Environmental Affairs.

Massport was created by the Legislature in 1956 and operational since 1959, It is an independent revenue bond authority, whose seven-member Board of Directors is appointed by the Governor of Massachusetts to staggered, seven-year terms. Massport is a multimodal transportation agency which owns and operates not only the traditional seaport, but also Logan International Airport.



The BRA is a powerful agency created and empowered by state legislation to serve as the City's urban renewal authority, industrial development corporation, and planning board. As a development agency, the BRA is an important landowner of the downtown, Charlestown and South Boston waterfronts. As the municipal planning agency, it is responsible for waterfront zoning and local project reviews.

The other major player is the Commonwealth of Massachusetts. In the 1970s, Massachusetts became one of the first states to impose a comprehensive environmental impact review mechanism on all significant projects requiring state land, money, or permits. The Secretary of Environmental Affairs administers the Massachusetts Environmental Policy Act (MEPA). This rigorous program applies to all agencies created by state legislative action, including both Massport and the BRA. MEPA review, typically through a detailed Environmental Impact Report, is an essential feature of any proposed waterfront infrastructure or development project, and must be successfully completed before any state action can be taken.

For projects which involve development in the water, on piers, or in filled tidelands, the most important state action is the issuance of a tidelands license by the state's Department of Environmental Protection. A statute known as Chapter 91 of the Massachusetts General Laws governs these licenses, and to a great degree, any discussion about waterfront development in Boston is a discussion about Chapter 91 - the statutory expression of the ancient legal doctrine that the tidelands (that is, the area below the historic high water line) are held in trust by the public.