**Appendix III**

RESTRICTED

**Market Sounding Exercise for**

**the Development of Urban Park at Hung Hom Harbourfront**

*Interested parties who wish to participate in the Exercise should complete a questionnaire in the form set out below. Respondents are encouraged to provide responses to as many questions as possible. However, it is appreciated that not all Respondents will be able to provide responses to all questions.*

*The submission of any information, data, analysis or plans/drawings in support of responses is welcome. In particular, any financial calculations or estimates undertaken in support of particular viewpoint or statement would be very useful to the Government in determining overall viability of the Project.*

*A soft copy of the questionnaire in MS Word format can be downloaded from DEVB’s website at:* <https://www.devb.gov.hk/en/issues_in_focus/mse_hung_hom_urban_park_development/index.html>.

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| Interested parties are requested to prepare and submit responses in 5 sets (each marked with the name of the Respondent) in FULL and return them by **5pm, 21 March 2019** to: Development Bureau (Harbour Office) 17/F, West Wing, Central Government Offices 2 Tim Mei Avenue, Tamar, Hong Kong Attn: Mr. Henry Lai  |

**LEVEL OF INTEREST AND CAPABILITY**

**1. Identification of the Respondent**

1. Name, in both Chinese and English (if applicable), of the Respondent;

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1. Status of the Respondent (e.g. a business entity, non-profit making organisation, charitable organisation, social enterprise etc.)

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1. Details of the Respondent’s local contact person who is duly authorised by the Respondent to answer any questions the Government may have relating to all information submitted by the Respondent.

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| Name:Post Title:Address:Email:Telephone: |

**2. Organisational Information**

1. Brief description of the history and work/business of the Respondent (if the Respondent is a member (e.g. a subsidiary) of a group of companies, also of the group of companies). A brochure introducing the Respondent (if any) is welcome;

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1. Possible partnership with industry players and/or organisations in the community, and relevant organisational information of the potential partners;

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1. Description of the Respondent’s experience and expertise in the design, construction, operation, management and maintenance of a development/facility which is in similar nature and scale to that expected to be involved; and

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1. Description of the Respondent’s other relevant experience in Hong Kong and/or outside Hong Kong.

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**Respondent’s views on the Project**

**3. Views on possible uses for the Urban Park**

* 1. **Views on possible uses of Urban Park under the permitted uses[[1]](#footnote-2) outlined in the OZP**

(i) Propose development concepts for the Urban Park:

* + - 1. What uses/ facilities/ themes would you consider appropriate for this location?

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* + - 1. Who would be your target market for these uses?

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* + - 1. What would you suggest as the appropriate area (indoor and/or outdoor) for each use and the total area that your proposed development/activities plans to take up? Please try to provide sketch drawings of your suggested uses and where you think these might best go as far as possible.

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* + 1. Given your answers above, how would your entity benefit from participating in the Project? Alternatively, what are the key considerations that drive your entity to take part in this Project?

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| Please provide reasons of your view. |

* 1. **Views on possible ways in which this Project could meet the needs of the public**
	2. Do you have any suggestions on how this Project could create a harbourfront that suits all walks of life?

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* 1. What are your suggestions on how to create a sense of place as well as providing a quality harbourfront?

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* 1. Do you have any suggestions on how this Project could meet unmet needs of the local community in the light of existing or planned facilities in the neighbourhood?

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* 1. Do you have any suggestions on how this Project could enhance and/or ensure accessibility to the harbourfront by the general public at all times?

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* 1. Do you have any suggestions on the use of the underground space?

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* 1. Do you have any estimate on the number of users of the Project? Any suggestions on how the traffic demand can be addressed?

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* 1. What are the mitigation measures that will be taken to avoid nuisance to the community and nearby residents?

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* 1. Do you have any suggestions on enhancing water-land interface, including but not limited to utilising the set of landing steps at the southeast of the site?

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* 1. Have you collected any views from the local community when formulating your proposal? If yes, please provide details below.

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* 1. **Any other suggestions and/or comments related to possible uses of the Urban Park.**

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1. **Business Potential: What are your suggestions on creating synergies with the adjoining development(s) to enhance the potentials for the Urban Park?**

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1. **Please indicate a preliminary development programme for the Project with actions and timetable for the Urban Park.**

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**4. Views and suggestions on the partnership approach**

Initially, the Government considers that the partnership approach may take the following form–

* the Government will retain the ownership of the site and grant a right to use the site for a reasonably long period that can render the Project financially viable;
* the operator will be responsible for designing, developing, managing and maintaining the site; and
* the Project is expected to be self-sustainable on an on-going basis with the possibility of sharing revenue with Government based on pre-determined arrangement.

On the above basis, please indicate your entity’s views on the operational, commercial/financial and contractual arrangements for the operation and management of the Project. The items set out below are by no means exhaustive, and Respondents are welcome to suggest other points which are considered appropriate and relevant for this Project:

1. **Financial Return**
2. What is the amount / rate of investment return that you think is essential for you to participate in this Project?

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1. Please provide financial analysis for the Project with separate estimated cash flow for the Urban Park development. The financial analysis should include:-

a. estimates of total commercial Gross Floor Area (GFA) required for keeping the development financially viable. If appropriate, please provide breakdown of GFA for different uses / activities.

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b. estimates of annual income of the Urban Park development with assumptions and bases of calculations;

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c. estimates of capital and annual operating, maintenance and management costs of the Urban Park development; and

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d. estimates of cash inflow and outflow for pre-operating period and operation during the development period and the contract term, broken down by Urban Park development.

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**(b) Contract duration: If Government is to enter into a contract with your entity, how long should that contract be?**

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| A contract period of \_\_\_\_\_ years, extendable for a further period of \_\_\_\_\_\_\_ years. |
| Please explain why: |

1. **Revenue sharing: two models are being considered by the Government –**
* **the project operator will have to pay monthly rental for the site, as well as share revenue with the Government after the development has been up and running for a number of years; and**
* **the project operation will only be required to share revenue with the Government after the development has been up and running for a numbe of years, but not required to pay monthly rental for the site.**
1. What are your views on the two suggestions above?

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(ii) How would you consider that any revenue sharing arrangement might be structured in the above two scenarios?

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(iii) Any other views on the revenue sharing arrangement in the above two scenarios that would enhance the financial viability and sustainability of the Project?

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* 1. **Support from the Government: please indicate the support and inputs expected of the Government, which you think are essential to your participation in the Project.**

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**(e) Are there other forms of partnership model you have in mind? Please specify with reason(s):**

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1. **Community involvement: The Government welcomes some form of community involvement (e.g. via Non-governmental organisations (NGOs) or social enterprises) in the different stages of the partnership process.**
2. What are your views on this suggestion?

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1. If you are a business entity, what are your suggestions regarding how best to include non-profit making organisations such as NGOs and social enterprises in the Project? For example, should non-profit making organisations be involved in:

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| Planning of the facility / Project  | * Yes
* No
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| Reason for your choice: |
| If yes, how could they be involved in the planning? |
| Development of the facility / Project | * Yes
* No
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| Reason for your choice: |
| If yes, how could they be involved in the development? |
| Operation of the facility / Project | * Yes
* No
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| Reason for your choice: |
| If yes, how could they be involved in the operation? |
| Monitoring of the Project? | * Yes
* No
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| Reason for your choice: |
| If yes, how could they be involved in the monitoring? |

1. **Do you have any other suggestions for enhancing the partnership model for this Project?**

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1. **Governance arrangement: What are your views on the composition of a multi-stakeholder committee to oversee the planning, development, implementation, management/operation and maintenance of the Project?**

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1. **What are your suggestions on Key Performance Indicators for monitoring and maintaining high performance?**

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1. **Do you have other issues that you wish to comment on or make suggestions? If yes, what are they?**

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1. **The Government would like to contact Respondents to follow-up, discuss, and/or make clarifications on the responses and/or invite their further ideas, views and suggestions on the Project. The Government may invite Respondents to meeting(s) relating to the Exercise and the Project as necessary. Respondents are allowed to retain anonymity of the information discussed during any contact and at any meetings upon request. If you do not wish to be contacted, please indicate below.**

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| * I do **not** want to be contacted by the Government regarding the Exercise and the Project.
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**5. Other Information**

Any other information or comments that Respondents consider relevant to the Project.

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**6. Licence**

Respondents are required to sign the Licence attached at **Appendix IV** to the Brief and return to the Government with their submissions. Respondents are asked to note paragraph 8.1 of the Brief. Failure to return the signed Licence will render the response not to be considered at all by the Government.

**7. Response to Market Sounding Exercise**

Late responses will not be considered. Respondents should allow adequate time for their responses to be delivered to the above address. In the event that a typhoon signal No. 8 or above is hoisted or a black rainstorm warning signal is issued between 9:00 am and 12:00 noon (Hong Kong time) on the submission closing date, the submission deadline will be postponed to 12:00 noon (Hong Kong time) on the first working day of the following week.

Any enquiries relating to this invitation should be made in writing and sent to DEVB at the above address or by email to henrylai@devb.gov.hk or williamchan@devb.gov.hk. The Government shall, to the extent necessary and appropriate, reply to any enquiries of the Respondents regarding this invitation. The Government shall not be responsible for any misdirected letters or emails. All enquiries and answers made by the Respondents and the Government respectively shall be uploaded on the Websites.

1. Including uses specified in column 1 and column 2. Approval from Town Planning Board under Section 16 would be required for any proposed uses under column 2. [↑](#footnote-ref-2)