

Southern District Council
Proposed Hotel Development in Ocean Park

Purpose

1. This paper aims to update Members of, and seek their support for, the proposed hotel development in the Ocean Park (OP).

Background

2. The Ocean Park Corporation (OPC) is implementing its Redevelopment Plans, which will turn the park into a world-class “education-cum-entertainment” facility featuring about 70 attractions (in comparison with 35 attractions at present) by 2012/13. The proposed hotel development is an important supporting infrastructure to enhance OP’s tourism appeal, diversify guests’ experience, and lengthen their stay both in OP and Hong Kong.

3. The proposed hotel development is timely in responding to the Chief Executive’s call in his Policy Address 2007/08 for promoting MICE¹ tourism and supporting hotel development. Hotel development in OP will provide venues for conferences and business events, thereby opening a new market segment for the redeveloped OP.

4. In addition, with the implementation of the South Island Line (SIL) (East) project, the connectivity between OP and the rest of Hong Kong will be greatly improved, thus making OP an attractive site for hotel development.

¹ MICE is an acronym referring to Meetings, Incentives travels, Conventions and Exhibitions.

Ocean Park's Hotel Proposal

Development Parameters

5. The OPC proposes to develop three hotels in OP, each with a distinctive theme. The proposed development parameters are summarized in the table below –

	Ocean Hotel	Fisherman's Wharf Hotel	Spa Hotel
	3 - 4 stars	4 stars	5 stars
Location	New Entry Plaza	Tai Shue Wan	Summit above Tai Shue Wan
No. of Storeys	17	14	7
Number of Rooms	660	460	180
Facilities	<ul style="list-style-type: none"> • Cafeteria • Family Dining • Speciality Restaurant & Bar • Lounge bar • Facilities related to Ocean Park 	<ul style="list-style-type: none"> • Main Dining Outlet • Chinese Restaurant • Bars & Lounges • Promenade Retail, Entertainment & Dining • Facilities related to Ocean Park 	<ul style="list-style-type: none"> • Main Dining Outlet • Speciality Restaurant & Bar • Spa Outlet • Facilities related to Ocean Park

6. The location of the three proposed hotels is shown at the **Annex**. The conceptual architectural design developed by the OPC will be presented at the meeting on 28 February 2008. As the OPC plans to invite private developers to design, build and operate the hotels, potential developers will be invited to propose detailed designs consistent with the development parameters set out in paragraph 5 above. The OPC expects the three hotels to commence operation from 2011/12 onwards, so as to tie in with the phased completion of the Park's Redevelopment Plans.

Economic Implications

7. The OPC estimates that development of the three hotels can bring up to 36,800 additional visitations to OP in the first year of operation of the hotels.

8. As more than half of the additional visitations to the Park are expected to come from incremental tourists to Hong Kong as induced by the hotel packages and related promotions, there will be spillover benefits to the other segments of the tourist-related sectors, including the retail and restaurant business, to the Southern District and Hong Kong as a whole. Total quantifiable economic benefits generated by the project, including the first-round additional income to the OPC and the subsequent multiplier effects of the additional tourist spending in Hong Kong, are around \$102 million in 2011, rising to \$260 million in 2030. The proposal will generate directly or indirectly around 320 jobs upon the opening of the hotels in 2011/12. During the construction period, new jobs in terms of around 3,180 man-years will be created in the building and construction sector, though this is one-off in nature.

9. The proposed hotels will provide resort-themed accommodation for certain important market segments of our travel industry, such as family tourists, spa lovers and other high-yield visitors. This will supplement the inventory of visitor accommodation to sustain Hong Kong's appeal as a preferred tourist destination in the region. At the district level, the hotel projects could also be a catalyst for Aberdeen's revitalization and strengthening Aberdeen's appeal as one of Hong Kong's tourist attractions.

Environmental Implications

10. According to a preliminary environmental review by OPC's consultants, none of the proposed hotel sites is located within areas of ecological, conservation, cultural heritage importance.

11. Based on the tree survey conducted for 'the Waterfront' of the Master Redevelopment plan in 2006 which has encompassed the Ocean Hotel site, there are no endangered, rare, protected and valued species identified by the OPC's consultant within the surveyed boundary. Tree and landscape surveys and assessments will also be conducted for the Fisherman's Wharf and Spa Hotels in support of the relevant town planning applications. For all unavoidable tree felling, compensatory planting and landscaping proposal will be in place to compensate for the tree loss. Furthermore, additional landscape treatment will be introduced to ameliorate any visual impact caused by the hotel development.

12. According to the findings from OPC's consultant, significant adverse environmental impacts in respect of noise and waste are not expected during the construction stage of the project. All construction works will be in strict compliance with all relevant legislation. Furthermore, OPC will take appropriate preventive and mitigation measures in order to minimize the impacts.

Traffic Impacts

13. The OPC's consultants consider that the proposal will not induce significant traffic impact. Commissioning of the SIL (East), which will include the Ocean Park Station, before 2015 will further improve traffic in the area and enhance its connectivity.

14. Traffic Impact Assessments (TIA) were undertaken by OPC's consultant to identify potential traffic issues during construction and operation of hotels before the completion of the SIL (East). Existing public transport facilities and services are considered adequate to cater for the guests of the three hotels. Based on the TIA findings, it is believed that the implementation of the SIL (East) will help reduce the road traffic demand in the Southern District as a result of the shift in the transport modes of commuters from road-based mode to rail-based mode; and improve the traffic condition of Aberdeen Tunnel and the surrounding area.

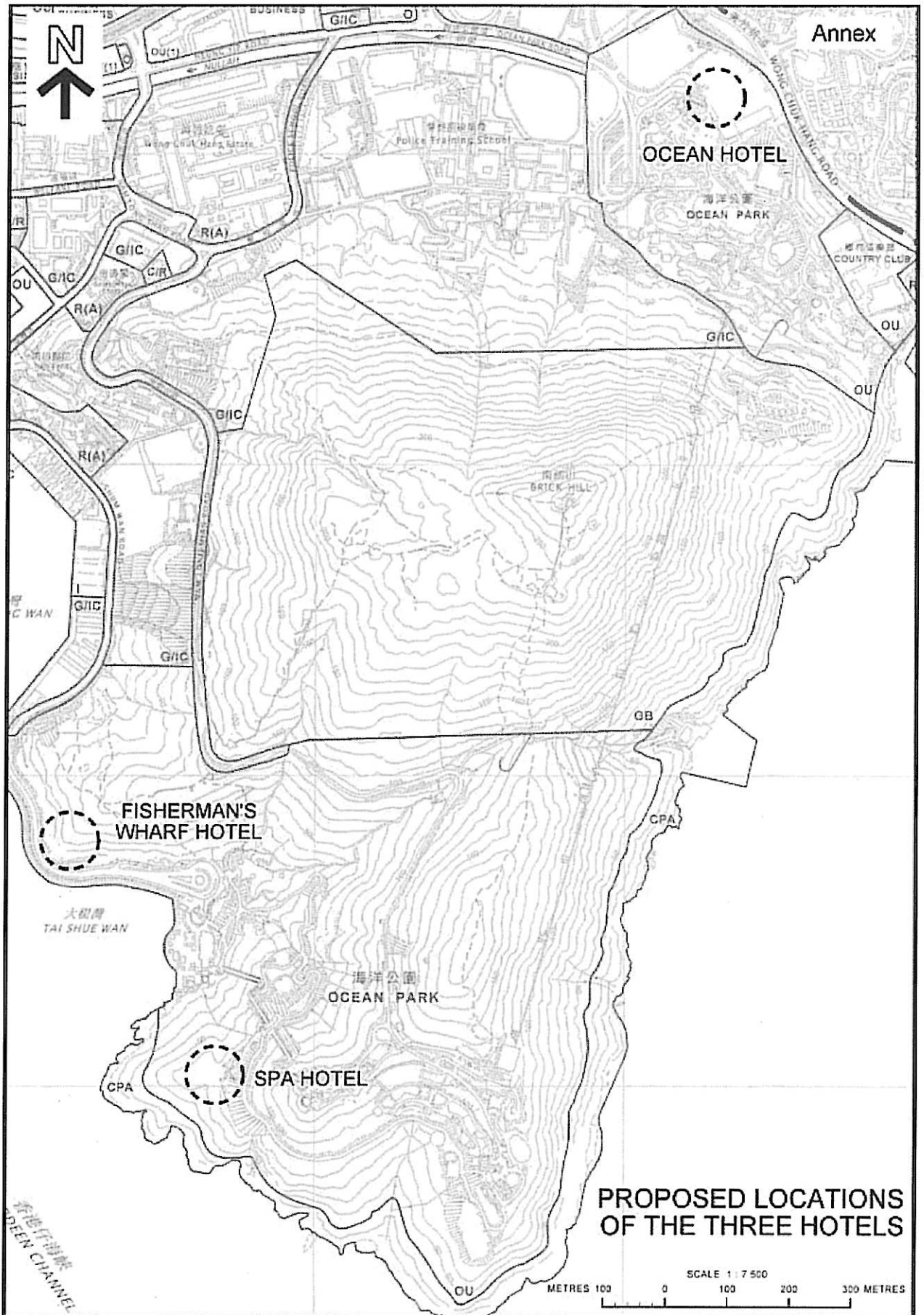
Timetable

15. The OPC is currently assisting the Commissioner for Tourism to prepare a planning application to the Town Planning Board for the hotel development, and is preparing for the procedures for the subsequent "expression of interest" exercise and tendering process. Subject to town planning approval, the OPC will invite tenders for developing the three hotels before the end of this year. Construction is tentatively planned to commence by Q3/2009 for completion by 2011/12 onwards.

Advice sought

16. Members are invited to note and support the proposed hotel development in OP. The OPC will liaise closely with the Southern District Council to ensure smooth progress of the development.

Ocean Park Corporation
February 2008



Annex



OCEAN HOTEL

OCEAN PARK

COUNTRY CLUB

BRICK HILL

FISHERMAN'S WHARF HOTEL

大樹灣
TAI SHUE WAN

海洋公園
OCEAN PARK

SPA HOTEL

PROPOSED LOCATIONS OF THE THREE HOTELS

SCALE 1 : 7 500

METRES 100 0 100 200 300 METRES

葵涌海峽
WAI TUNG CHANNEL