

Proposed Development Parameters for the New Cruise Terminal

[Note: An Explanatory Note on the proposed development parameters for the new cruise terminal has been uploaded onto the website of Tourism Commission: <http://www.tourism.gov.hk>]

MISSION

To develop Hong Kong into a leading regional cruise hub through the provision of a world-class cruise terminal with state-of-the-art facilities which are user-friendly, and provide efficient and quality services.

OBJECTIVES

The new cruise terminal should –

- (a) have built-in flexibility for berthing different types and sizes of cruise vessels, in particular mega vessels, and meet the need of different cruise operators;
- (b) form part of an overall experience of a cruise passenger and add value to a cruise vacation;
- (c) offer other visitors a good experience by providing user-friendly facilities and services; and
- (d) become an iconic structure of Hong Kong.

SCOPE OF THE PROJECT

The Project include –

- (a) 2 alongside berths - 850 m long
- (b) Apron Facilities - including apron area, fender and mooring systems, etc.
- (c) Supporting Facilities - including Customs, Immigration and Health Quarantine (CIQ) facilities, baggage handling system, ticketing offices, etc.

- (d) Commercial Area - maximum non-domestic Gross Floor Area (GFA) of 50 000 m² inside cruise terminal building.

ENTRY REQUIREMENT

Proven track record

- Bidders have to meet a minimum requirement of 3 years' immediate experience in operating a cruise terminal with a minimum annual throughput of 200 000 homeport passengers.
- Bidders can satisfy the experience requirement by showing that their key personnel/senior management, or their associates/partners, or contractors have sufficient relevant experience.
- To ensure that there would be qualified personnel in operating the new cruise terminal, any changes in the senior personnel within the first 3 years of the operation of the first berth would require the approval of the Government.

KEY DEVELOPMENT PARAMETERS

(1) Commissioning of the first berth and second berth

(a) First berth

- Deadline for commissioning the first berth would be set at February 2012. The successful bidder would be required under the tender notice to provide an "On Demand" Bond of 5% of the estimated construction cost of the relevant facilities to the Government as a financial disincentive against any delays.

(b) Second berth

- The second berth should be commissioned within three years upon a demand letter issued by the Director of Lands, after the Government has taken into account the cruise market demand and progress made by the Hong Kong and China Gas Company in diverting the submarine gas mains underneath the approach channel for the

second berth. The target date is beyond 2015.

- The successful bidder may also commission the second berth earlier to handle smaller cruise vessels, subject to Government's approval which would take into account various implications such as traffic conditions and marine safety, etc.

(2) Completion of the Commercial Area

- The successful bidder is given the flexibility to complete the GFA of the Commercial Area in phases by 2020 in view of the lead time for the whole Kai Tak Development to mature.

(3) Technical parameters

(a) Flexibility of the new cruise terminal

- The Apron Facilities should be designed with flexibility to berth cruise vessels of different sizes and types, and of different cruise operators. The bidders will be required to propose a design that can provide flexible services to different cruise operators.

(b) Berthing parameters

- The new cruise terminal should be able to berth different types and sizes of cruise vessels, including mega cruise vessels commissioned up to date of at least the following parameters -
 - Gross Tonnage: 220 000 tonnes
 - Displacement Tonnage: 110 000 tonnes
 - Length Overall: 360 m
 - Beam: 47 m
 - Draft: 10 m
 - Passenger capacity: 5 400
 - Crew capacity: 1 200

(c) Transport provisions

- The successful bidder will be required to provide ground transport facilities underneath the cruise terminal building to serve the public, including in particular the cruise passengers. There will be specific requirements on loading/unloading bays for coaches; pick up and drop off spaces for taxis; pick up and drop off spaces and parking spaces for private cars; and loading/unloading bays for bus services.

(d) Landscaped deck on the roof of the terminal for public enjoyment

- Bidders will be required to propose a landscaped deck at the roof of the cruise terminal building to facilitate the public to enjoy the waterfront.
- We are inclined to set a minimum area of 22 000 m², or 44% of the maximum allowable non-domestic GFA, for landscaped deck which could be delivered in phases, say 25%, 35% and 40% respectively by 2012, 2016 and 2020, to allow creativity and flexibility in design and completion of the commercial facilities. The bidders would need to demonstrate that such phasing arrangement would not compromise the iconic outlook of the terminal as the first berth is commissioned.

(e) Concept design

- Bidders will be required to propose a design that can satisfy an Architectural Statement that embraces the following-
 - the design should be optimized to offer the greatest flexibility, efficiency and effectiveness, and satisfaction, for the users;
 - an iconic structure;
 - aesthetically pleasing and in harmony with surrounding areas;
 - maximum user-friendliness;
 - sustainable and environmentally sensitive; and
 - embrace the Vision and Goals for the Victoria Harbour of the Town Planning Board and the Harbour Planning Principles.

- The Architectural Statement is supposed to be a guideline on the overall built form of the cruise terminal building. It should be able to demonstrate the direction of the architectural design without compromising the flexibility of the bidders.

(f) Use of on-shore power

- The successful bidder will be required to make provision for the use of on-shore power in his design of the new cruise terminal.
- Upon demand by Government, the successful bidder will have to provide the equipment and require cruise vessels with complementary facilities to use on-shore power. The Government will monitor the international development trend in the use of on-shore power for cruise vessels in order to decide when to make the use of on-shore power mandatory.

(4) Operation and Management Aspects

(a) Operation, business and marketing plan

- Bidders will be required to submit a comprehensive plan with specific performance pledges on the operation, business and marketing aspects -

(i) Operation

- baggage handling;
- stevedore deployment;
- baggage claim; and
- gangway deployment, etc.

(ii) Tourism and economic benefits

- Bidders will be required to demonstrate commitment to attract cruise vessels homeporting at the new cruise terminal.

(iii) Measures to enhance competitiveness

- Bidders will be required to set out their arrangements on

fees and charges, and allocation of berthing slots.

(b) Promoting industry engagement

- Bidders will be required to submit pledges on how they would work together with the Hong Kong Tourism Board (HKTB) and Tourism Commission (TC) in cruise market development. The successful bidder will be required to provide space for the HKTB's visitor service kiosk at the new cruise terminal rental free.
- We intend to ask the successful bidder to establish a consultation forum, comprising participants from the cruise market, tourism industry and HKTB, with the following proposed scope of work -
 - (i) to discuss the key operation and management issues related to the new cruise terminal, including (but not limited to) the compliance with and any proposed changes to his performances pledges;
 - (ii) to consult the cruise market and tourism industry on proposed changes to arrangements for fees and charges and berthing slots allocation;
 - (iii) to discuss co-operation efforts with HKTB and the industry for marketing the facilities and services offered by the new cruise terminal;
 - (iv) to share with the cruise market and tourism industry regularly non-commercially sensitive information relating to the operation of the new cruise terminal; and
 - (v) to discuss matters of common interests concerning development of the cruise market and inform the market of latest development/improvement plans for the new cruise terminal.
- Bidders will be required to propose how they would establish the consultation forum for engaging the cruise market and tourism industry, as part of their on-going endeavours, including its

composition, frequency of meetings and modus operandi.

- The successful bidder should upload gist of discussion of the forum to his website regularly.

(c) Enhance transparency

- Bidders will be required to put forward pledges on –
 - (i) disclosure of non-commercially sensitive information on the new cruise terminal's facilities and services; and
 - (ii) reporting to the Government on operation information of the new cruise terminal.

The pledges made by the successful bidder under (4) will be included in a Service Agreement (see item 6(b) below).

(5) Tender assessment

(a) Weighting of financial and qualitative aspects

- We intend to adopt a 30:70 weighting ratio for financial and non-financial criteria respectively.

(b) Engagement of outside advisors

- We intend to seek nominations from relevant bodies such as the Hong Kong Institute of Architects (HKIA) and HKTBA for appointment as independent advisors for the assessment process during the tender exercise.

(6) Implementation after Award of Tender

(a) Concept Plans, Master Landscape Plans, etc under the land lease

- TC will establish an interdepartmental steering committee to monitor implementation of the land lease after the award of tender,

especially with regard to the timely delivery of the hardware.

(b) Service Agreement with successful bidder on performance pledges relating to operation and management

- The successful bidder will be required to enter into a Service Agreement with the Government. It will include relevant performance pledges made by the bidder in his bid, in particular those relating to the operation, management and maintenance of the new cruise terminal. It will be co-terminous with the land lease and enforced by TC with the assistance of relevant bureaux and departments.

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