

## **Press Release**

### **Award of the Tender for the Site of the Former Marine Police Headquarters**

The Government announced today the award of the tender for the monument site of the former Marine Police Headquarters (MPHQ) in Tsim Sha Tsui (Kowloon Inland Lot No. 11161) to Flying Snow Limited, a subsidiary of Cheung Kong (Holdings) Limited, on a 50-year land grant at a tendered price of \$352.8 million.

“The Project is the first attempt to engage the private sector to preserve and develop buildings of historic significance into a heritage tourism facility,” a spokesman of the Tourism Commission said. “We are very pleased to announce the outcome of a competitive tendering process that has taken into account a host of factors, including heritage preservation and payment to Government. Government received six tender proposals from the private sector.”

The spokesman said that in line with the objective of preserving our heritage assets and to promote heritage tourism, tender submissions were assessed on a set of predetermined assessment criteria which gave equal emphasis to heritage conservation; competence, creativity and technical issues; economic and tourism benefits; and payment to Government. The submissions also had to comply with mandatory requirements on heritage conservation, and fulfil a minimum passing score in the assessment criteria concerning heritage conservation.

Representatives of the Antiquities Advisory Board and the Hong Kong Tourism Board were involved in the work of the Assessment Panel formed to assess the tender proposals to offer expert advice on heritage preservation and tourism aspects respectively of the proposals. The successful tenderer obtained the highest aggregate score in the assessment and met both the requirements on heritage preservation and financial capability.

The spokesman said that the scheme put forward by the successful tenderer envisaged the conversion of the Main Building of the MPHQ into a heritage hotel. There will be food and beverage outlets, and retail facilities under the existing platform of the Site. The proposed scheme was an adaptive reuse of the Site. It performed well in different aspects of the assessment.

Flying Snow Limited estimated that the proposed development will create about 315 and 500 jobs respectively during the construction and operation stages. In accordance with the tender conditions, Flying Snow Limited has until March 2008 to complete the Project. However, the Company's development proposal indicates that completion of the Project may be in early 2007, allowing time for the necessary statutory procedures.

“The proposed heritage hotel will bring an exciting addition to the tourism attractions in Hong Kong, and will also create a synergy with other existing and new tourist facilities in our prime tourist area in Tsim Sha Tsui,” the spokesman said.

The names of other bidders in alphabetical order are shown as below -

- (a) Cosmos Gain International Limited
- (b) Silver Peak Investments Limited
- (c) Star Gain Development Limited
- (d) Star Rays Limited
- (e) Sunspark Development Limited