

An Examination of Revitalising Historic Buildings through Public Private Partnerships (PPP) Approach in HK

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ABSTRACT: Historic buildings which bear witness to our development are important and valuable assets of our community. Their proper conservation can help to retain the local characteristics and thus, preserve and showcase the culture and history of a country. Nevertheless, the conservation of historic buildings is capital intensive and risky and therefore, these buildings are generally funded and operated by the Government in Hong Kong. In formulating a sustainable conservation policy, the Government Policy Address (2007-2008) introduced the concept of adaptive re-use of Government-owned historic buildings so as to give them a new lease of life for the enjoyment of the general public and overseas visitors. Moreover, the Revitalising Historic Buildings through Partnership Scheme (RHBTSP) was developed in targeting to encourage the input of private investment and expertise in financing the revitalisation of historic buildings.

This seminar will examine the feasibility of applying PPP as a means to revitalise historic buildings in Hong Kong through a case study of the on-going heritage hotel in the old Tai-O Police Station. It is learnt that the RHBTSP is classified as a modified BOT and a comparison of the characteristics between traditional PPP and the RHBTSP scheme will be introduced in the seminar. The example of the Tai-O Heritage Hotel project illustrates that the scheme is financially feasible to re-invest the revenue generated from running the business in the revitalized buildings through NPOs to subsidise the building maintenance costs and the assigned public services. It helps the Government to revitalise the historic buildings and bring associated benefits to the community. Nevertheless, the Government will bear significant subsidy and risks under the scheme and a short list of limitations is identified.