

Memorandum for the Hong Kong Housing Authority

Fai Ming Estate and Chun Yeung Estate

PURPOSE

This paper informs Members of the latest situation of Fai Ming Estate and Chun Yeung Estate.

BACKGROUND

2. Fai Ming Estate in Fanling consists of two blocks with about 950 units, while Chun Yeung Estate in Fo Tan consists of five blocks with about 4 800 units. Flat allocation was made in advance in late 2019 for the then uncompleted Fai Ming Estate and Chun Yeung Estate under the Hong Kong Housing Authority (HA)'s Modified Advance Allocation Scheme. About 4 700 public rental housing (PRH) application households (about 700 households for Fai Ming Estate and about 4 000 households for Chun Yeung Estate) involving about 11 400 persons have accepted the advance offers.

3. As Fai Ming Estate was seriously vandalised and damaged on 26 January this year, reinstatement works are now still in progress, and the intake date has to be deferred depending on the degree of damage. Moreover, in view of the severity of the COVID-19 epidemic, the Government has used Chun Yeung Estate as a quarantine centre (QC) since 20 February this year. Following our report to Members on 17 February this year (vide Paper No. HA 4/2020), we also briefed Members of the Subsidised Housing Committee on the special allocation arrangements for PRH applicants who had accepted the advance allocation offers at its meeting on 10 March this year, and reported to the Commercial Properties Committee on 27 March on the arrangements for the affected commercial lettings (vide Paper No. CPC 9/2020).

4. Members are invited to note updates on the following –
- (a) the special allocation arrangements for prospective tenants of Fai Ming Estate and Chun Yeung Estate;
 - (b) the progress of reinstatement of Fai Ming Estate;
 - (c) the cessation of the use of Chun Yeung Estate as QC;
 - (d) the arrangements of restoration works of Fai Ming Estate and Chun Yeung Estate;
 - (e) the arrangements for the affected commercial lettings of Fai Ming Estate and Chun Yeung Estate; and
 - (f) the ex-gratia payment for prospective tenants of Fai Ming Estate and Chun Yeung Estate.

SPECIAL ALLOCATION ARRANGEMENTS FOR PROSPECTIVE TENANTS OF FAI MING ESTATE AND CHUN YEUNG ESTATE

5. As mentioned in Paper No. HA 4/2020, we understand that the deferral in intake has caused PRH applicants who have accepted the advance allocation offer of Fai Ming Estate and Chun Yeung Estate inconvenience or problems. We hence wrote to the prospective tenants concerned on 20 February this year, offering them special allocation arrangements. They might opt to (1) retain the advance allocated unit until flat intake and, where necessary, apply for admission to Po Tin Interim Housing (IH) in Tuen Mun District in the New Territories during the period; or (2) cancel the current offer (which will not be counted as a valid offer) and be given a new allocation to another suitable unit in other housing estates in their chosen district^{Note}. We also undertook to meet and accord priority to their needs as far as practicable, subject to the availability of public housing resources for deployment and suitable vacant PRH units.

Note Applicants who have chosen option (2) may also opt to be re-allocated the unit originally offered to them in advance if they are yet to accept another flat offer at the time of intake of Chun Yeung Estate/Fai Ming Estate, or continue to wait for another unit in their chosen district.

6. As at 30 June this year, among the about 700 prospective tenants of Fai Ming Estate, about 560 households have chosen to wait for the estate's intake (including about 500 households not applying for IH and about 60 households applying for IH; all those who have applied for IH have been allocated with IH units, of which 30 households have accepted the offers). The remaining some 140 households have applied for allocation to other estates (we have made housing offers to all these households, of which about 60 households have accepted the offers). Among the about 4 000 prospective tenants of Chun Yeung Estate, about 3 100 households have chosen to wait for the estate's intake (including about 2 800 households not applying for IH and about 300 households applying for IH; all those who have applied for IH have been allocated with IH units, of which about 160 households have accepted the offers). The remaining some 900 households have applied for allocation to other estates (we have made housing offers to 790 households, of which about 290 households have accepted the offers).

PROGRESS OF REINSTATEMENT OF FAI MING ESTATE

7. Fai Ming Estate consists of two blocks, namely Sing Fai House and Tai Fai House. As explained in Paper No. HA 4/2020, in view of the serious damage of Fai Ming Estate, our initial estimation was that it would take at least six to eight months for the reinstatement works to be fully completed for a new round of acceptance testing.

8. We have been stepping up our efforts on the reinstatement of Fai Ming Estate. The progress of Sing Fai House is more satisfactory and acceptance testing is being conducted. Having regard to the current progress, Sing Fai House is expected to commence intake gradually in late July this year. For Tai Fai House, due to the severe damage, longer time for the reinstatement works is required and the intake could only commence gradually at the end of this year or early next year.

CESSATION OF THE USE OF CHUN YEUNG ESTATE AS QUARANTINE CENTRE

9. The Government announced on 26 June this year that Chun Yeung Estate would cease to be used as QC in late July this year and be immediately handed over to HA upon clearance and thorough disinfection of the relevant units. The Government's press release, as at **Annex**, was issued to Members for information by email on 29 June this year.

10. Upon the Government's handover of Chun Yeung Estate to HA, the Housing Department (HD) will carry out detailed inspection on the condition of the estate and conduct relevant restoration works and acceptance testing as soon as possible. We will make our best endeavours to complete the relevant works as early as possible. As Chun Yeung Estate consists of five blocks involving some 4 800 units, it takes time to complete all the restoration works and acceptance testing. As the restoration works required for individual blocks or units vary, it is currently estimated that prospective tenants of Chun Yeung Estate will move in by two batches. The first batch, involving Block 4 (i.e. Chun Sze House) and Block 5 (i.e. Chun Wu House), is estimated to begin intake gradually in late August this year. As for Blocks 1 to 3 (i.e. Chun Yat House, Chun Yi House and Chun San House), HD estimates that more extensive restoration works may be required and hence the intake may only commence gradually in late October this year.

ARRANGEMENTS OF RESTORATION WORKS OF FAI MING ESTATE AND CHUN YEUNG ESTATE

11. In April this year, the Tender Committee approved the arrangements for contract variations and supplementary agreements that are required for the restoration works. The relevant works of Fai Ming Estate have also started immediately according to the arrangement. As for Chun Yeung Estate, as mentioned above, upon the Government's return of Chun Yeung Estate to HA, HD will immediately proceed to inspect the condition of the estate and carry out related restoration works and acceptance testing.

ARRANGEMENTS FOR THE AFFECTED COMMERCIAL LETTINGS

12. Chun Yeung Estate has a shopping centre which provides 17 retail shops and a Single Operator Market (SOM). In view of the earlier uncertainty of intake date and the time required for reinstatement works upon termination of its use as QC by the Government, HA has made special arrangements to allow the successful tenderers of retail shops and SOM an option to withdraw their tenders and fully refund the deposits (Paper No. CPC 9/2020 refers). After the application deadline, HA has received a total of three applications for withdrawal of tenders and has completed the refund procedures. In response to the Government's announcement to cease using Chun Yeung Estate as QC at the end of July this year, we have arranged for re-letting of the three retail shops concerned. We will also arrange the prospective tenants of other retail shops and SOM for intake formalities as soon as possible, so that they can carry out renovation and open as early as possible to tie in with the intake of PRH tenants.

13. Fai Ming Estate has a retail shop, which was tendered in January this year. Owing to the severe damage of the estate and a substantial period of time required for reinstatement works, for prudence, we have cancelled the tender. In response to the latest estimated intake date, we will arrange tender as soon as possible for re-letting of the premises.

EX-GRATIA PAYMENT FOR PROSPECTIVE TENANTS OF FAI MING ESTATE AND CHUN YEUNG ESTATE

14. Under the Anti-epidemic Fund (the Fund) set up by the Government, a one-off ex-gratia payment of \$6,000 per household was granted to eligible PRH applicants who had accepted the advance allocation offer of Fai Ming Estate and Chun Yeung Estate. This was to help them tide over the problems and inconvenience caused by the deferred intake. HD issued all the cheques for the payment of the ex-gratia allowance by post in mid-April this year.

15. To provide further assistance, the Government will grant a further ex-gratia payment of \$6,000 under the Fund to eligible PRH applicants who have accepted the advance allocation offers of Fai Ming Estate and Chun Yeung Estate (but excluding those who have accepted an allocation offer of other PRH estates and have signed the tenancy agreement and collected the flat keys on or before 30 June this year). Cheques for the ex-gratia payment will be disbursed by post starting from mid-July this year.

16. We have issued letters to the PRH applicants concerned informing them of the latest situation of Fai Ming Estate and Chun Yeung Estate as well as the disbursement of the ex-gratia payment.

INFORMATION

17. This paper is issued for Members' information.

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c.c. Members of HA Committees/Sub-Committees

Press Releases

Government announces cease of use of Chun Yeung Estate as quarantine centre from end July

The Government announced today (June 26) that as the COVID-19 outbreak in Hong Kong started to stabilise, the use of Chun Yeung Estate in Fo Tan as quarantine centre will be ceased in end July. After clearing and thoroughly disinfecting the relevant units, the Estate will be immediately handed over to the Hong Kong Housing Authority.

The Housing Authority will then carry out detailed inspection to the condition of the Estate, and conduct relevant restoration works and acceptance testing as soon as possible. As there are altogether some 4 800 units in the five blocks of the Estate, it takes time for the Housing Authority to complete all the restoration works and acceptance testing for the whole estate. While the restoration works required for individual block or unit varies, the Housing Authority will make the best endeavour to complete the relevant work as soon as possible and notify prospective tenants of the latest arrangements in early July, with a view to facilitating their preparation work including arrangement of school placement for children in the coming school year. At present, it is estimated that prospective tenants of the Estate will move in by two batches, striving for intake of the first batch prospective tenants commencing in late August, whereas intake of prospective tenants of units in the blocks requiring more extensive restoration works starting from end October this year.

A Government spokesman said the COVID-19 outbreak in Hong Kong had been easing gradually with the number of confirmed cases maintaining at low level, and among people who needed to be housed in quarantine centres over the past month or so, most of them were Hong Kong Residents returning from places with higher infection risk. In addition, the Government has been constructing quarantine facilities at the government site in Penny's Bay with good progress, targeting to provide some 700 additional units by end July. By then, after discounting the quarantine units provided by the Estate, there will be around 1 500 quarantine units in total (with around 3 000 beds) in Hong Kong, which is estimated to be able to cope with any need arising from future outbreak.

The Government deeply understands that the use of the Estate as quarantine centre in the past few months has caused much impact and inconvenience to prospective tenants, and that they have been looking forward to moving in the Estate as soon as possible. The quarantine centre located in the Estate provided thousands of units, playing a very important role among quarantine facilities over the past few months and effectively preventing the widespread transmission of virus in the community. The Government would like to express heartfelt gratitude to all prospective tenants for their patience and understanding, which has greatly facilitated the anti-epidemic work in Hong Kong.

The Government has been using the Estate as quarantine centre since February 20. So far, over 7 700 people have been quarantined at the Estate. Apart from close contacts of confirmed patients, confinees at the Estate also include returnees from the Diamond Princess cruise ship, Hubei Province, as well as people returning from various overseas places in recent days.

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