

## Memorandum for the Hong Kong Housing Authority

### Green Form Subsidised Home Ownership Scheme Site for Sale in 2018

#### PURPOSE

This paper informs Members of the decision to convert the public rental housing (PRH) development at Lai Chi Kok Road - Tonkin Street Phase 1 (i.e. Blocks 1 to 4) to a Green Form Subsidised Home Ownership Scheme (GSH) project for sale in 2018 as endorsed at the meeting of the Strategic Planning Committee (SPC) on 27 April 2018.

#### BACKGROUND

2. In the 2015 Policy Address, the then Chief Executive proposed that the Hong Kong Housing Authority (HA) identifies suitable flats among its PRH developments under construction for sale to Green Form (GF) applicants<sup>Note 1</sup> in the form of a pilot scheme, with prices set at a level lower than those of Home Ownership Scheme (HOS) flats.

3. In May 2015, SPC selected a PRH development in San Po Kong involving 857 flats (i.e. King Tai Court) as the GSH pilot site. Pre-sale was launched in October 2016, with the average selling price at 40% discount from the assessed market value (as compared with the usual 30% discount for Home Ownership Scheme flats). All the flats were sold by 20 February 2017<sup>Note 2</sup>. King Tai Court was completed in June 2017.

4. At its meeting on 30 January 2018, the Subsidised Housing Committee (SHC) considered the outcome of the review on the GSH pilot project (Paper No. **SHC 5/2018** refers). SHC considered that GSH provided an alternative avenue for GF applicants to achieve home ownership and was conducive to enriching the housing ladder. Given the “one-for-one”

---

Note 1 Mainly PRH tenants and PRH applicants who have passed the detailed eligibility vetting and obtained a GF Certificate.

Note 2 HA resold 11 rescinded flats in end-July/early August 2017.

arrangement under GSH, it would neither increase nor reduce the supply of PRH, but each GSH flat serves the dual functions of meeting the home ownership aspirations of GF buyers and addressing the housing needs of PRH applicants. Taking into account of these considerations, SHC endorsed regularising GSH together with its major implementation details. The sale of the next GSH project will be launched around the end of 2018.

## **CRITERIA FOR SITE SELECTION**

5. SHC has endorsed making reference to the following principles adopted for the GSH pilot project in selecting PRH sites for conversion to GSH –

- (a) While a site may include certain public facilities, it should not contain public facilities that will incur very high management and/or maintenances fees;
- (b) The conversion of a PRH site to GSH development should not result in substantive changes to the original planning;
- (c) The site should preferably be a standalone one, or can be easily carved out from a PRH development;
- (d) Any PRH development that will be completed shortly is not suitable, because –
  - (i) flat allocation may have already started; and
  - (ii) converting rental units to sale flats involves planning and land procedures which take time<sup>Note 3</sup> and it is undesirable to leave completed flats idle during the interim period.

6. SHC considered it prudent to implement GSH at a more modest pace to gather experience, reduce risk of unsold flats and minimise impact on the waiting time for PRH applicants. SHC Members exchanged their views on the suitability of converting individual PRH projects in the pipeline into GSH at a subsequent briefing session held in March 2018.

---

Note 3 Converting PRH flats into flats for sale involves the following steps –

- (a) revision of the approved planning brief; resolution of issues arising from site demarcation, shared facilities and cost sharing arrangements; and approval of general building plans; and
- (b) preparation of land lease and the Deed of Mutual Covenant.

## GSH SITE

7. Taking into account SHC's views, we have assessed the various PRH projects in the pipeline with reference to the above site selection criteria. **At its meeting on 27 April 2018, SPC endorsed converting the PRH development at Lai Chi Kok Road - Tonkin Street Phase 1 (i.e. Blocks 1 to 4) into GSH for sale in 2018.**

8. The subject site is located in Cheung Sha Wan, Sham Shui Po District. It is bounded by Cheung Sha Wan playground to the Northeast, Tonkin Street to the Southeast, Lai Chi Kok Road to the Southwest and Fat Tseung Street to the Northwest (site location plan and site layout plan at **Annex** refers). The development comprises the following parts –

### **Phase 1 (Blocks 1 to 4) (GSH site) –**

- (a) Four domestic blocks of 36 domestic storeys (Blocks 2 and 3) and 39 domestic storeys (Blocks 1 and 4), providing a total of 2 545 flats, with the flat size ranging from about 14.2 m<sup>2</sup> to 35.9 m<sup>2</sup> internal floor area (IFA);

### **Phase 2 (Blocks 5 to 6) –**

- (b) Two domestic blocks of 39 storeys providing a total of 1 314 flats, with the flat size ranging from about 14.2 m<sup>2</sup> to 35.9 m<sup>2</sup> IFA;
- (c) Retail facilities in a two-storey podium;
- (d) A basement carpark and other associated vehicular facilities;
- (e) A kindergarten with six classrooms, estate management office and ancillary recreational facilities; and
- (f) One 20-place Supported Hostel for Mentally Handicapped Persons.

9. There will be no major change to the above provisions upon conversion of Phase 1 into GSH. The flats will be sold with the fittings of typical PRH standard without any upgrading<sup>Note 4</sup>. Phase 1 is estimated to be ready for occupation by the third quarter of 2019.

---

Note 4 Some minor modifications to suit the management requirement of GSH include –

- (a) omission of photovoltaic panels for Blocks 1 to 4;
- (b) conversion of Mutual Aid Committee Room to Owner's Corporation Offices;
- (c) provision of fence wall along boundary at public roads/public playground; and
- (d) provision of automatic carpark control system at basement carpark entrance.

## **FINANCIAL IMPLICATIONS**

10. Before the pre-sale of GSH flats in end-2018, we will report the financial implications of the subject GSH project when seeking SHC's endorsement of the proposed selling prices and sales arrangements.

## **WAY FORWARD**

11. Subject to the progress of the necessary preparatory work for launching the sale exercise (e.g. preparation of the land lease, the Deed of mutual covenant and sales documents, etc.), we plan to launch the pre-sale of the GSH flats around the end of 2018.

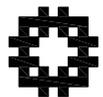
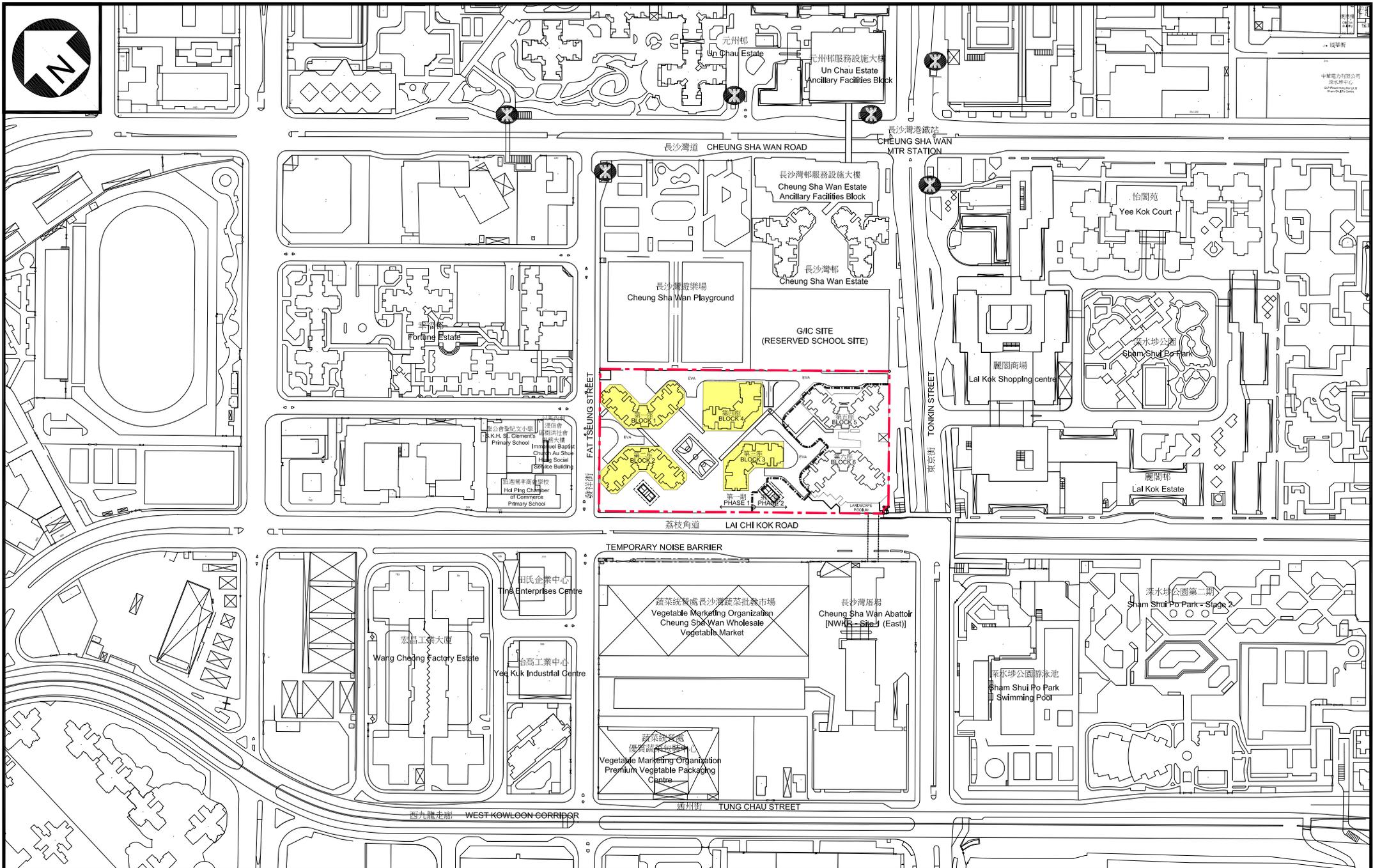
12. On the other hand, we will continue to make reference to the site selection criteria as previously adopted for the GSH pilot (see paragraph 5 above) in assessing PRH projects in the pipeline with a view to selecting sites for conversion into GSH projects in future.

## **INFORMATION**

13. This paper is issued for Members' information.

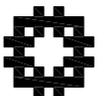
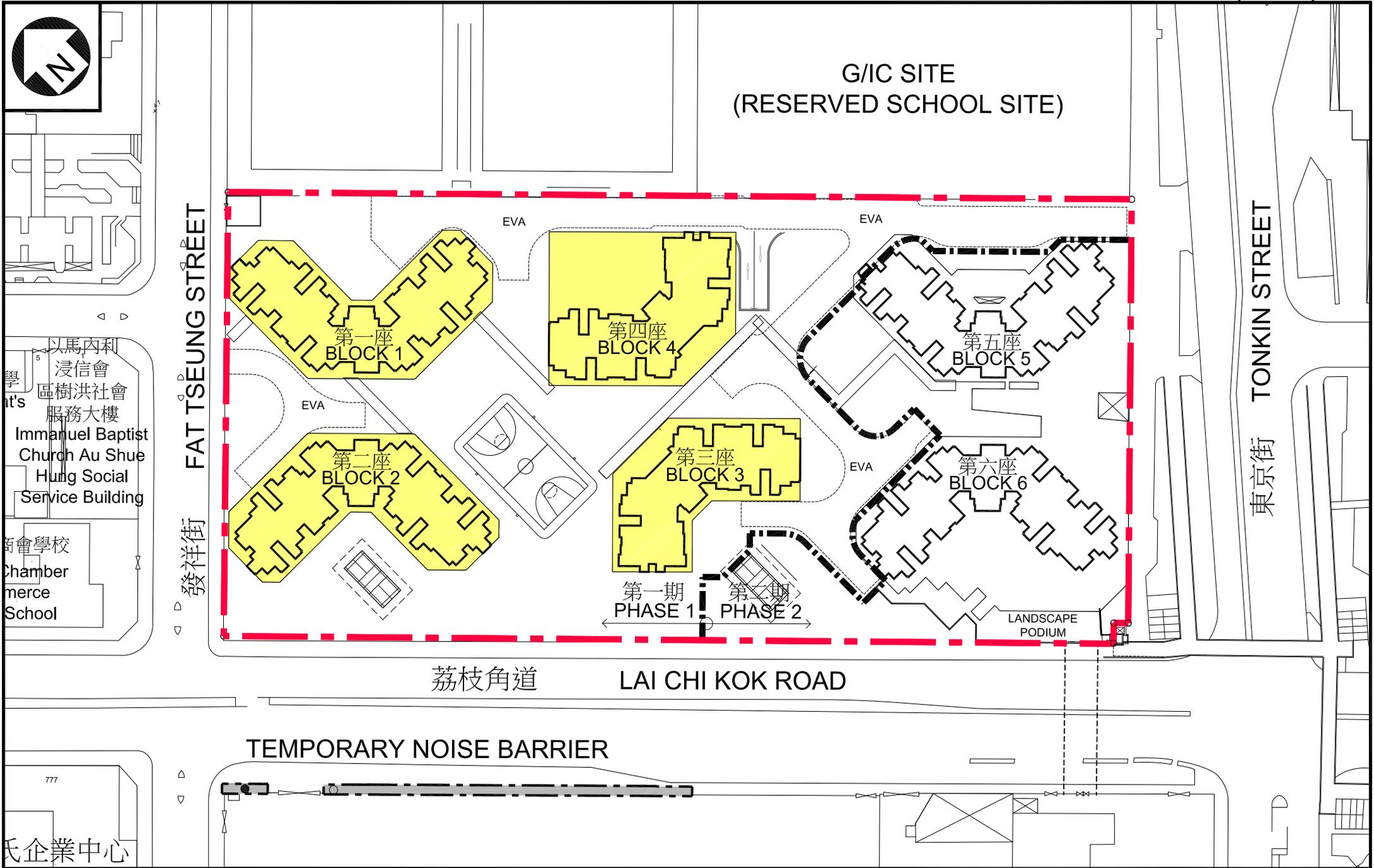
Polly KWOK  
Secretary, Housing Authority  
Tel. No.: 2761 5003  
Fax No.: 2762 1110

File Ref. : HD(A7) 7/1016  
(Development and Construction Division)  
Date of Issue : 27 April 2018



荔枝角道 - 東京街第一期 - 地盤位置圖

LAI CHI KOK ROAD - TONKIN STREET PHASE 1 - SITE LOCATION PLAN



荔枝角道 - 東京街第一期 - 地盤平面圖  
LAI CHI KOK ROAD - TONKIN STREET PHASE 1 - SITE LAYOUT PLAN