

**For discussion
on 24 March 2016**

**Legislative Council Panel on Home Affairs
Youth Hostel Scheme –
Construction by The Hong Kong Federation of Youth Groups**

PURPOSE

This paper seeks Members' views on and support for the proposed capital works project for The Hong Kong Federation of Youth Groups (HKFYG) to construct a youth hostel in Tai Po under the Government's Youth Hostel Scheme (YHS).

BACKGROUND

2. To unleash the potential of under-utilised sites held by non-governmental organisations (NGOs) and to meet the aspirations of some working youths in having their own living spaces, the Government announced the YHS in the 2011-12 Policy Address. Under the YHS, NGOs will be fully funded by the Government to construct youth hostels on sites owned by them. Upon completion, NGOs will run the youth hostels on a self-financing basis. To enable the young tenants to accumulate savings to pursue their medium term aspirations in personal development, NGOs should set the rental at a level which does not exceed 60% of the market rent of flats of similar size in the nearby areas.

3. The target tenants of YHS are working youths (including self-employed) who are Hong Kong permanent residents aged 18 to 30. The income level of a one-person household applicant should not exceed the 75th percentile of the monthly earnings of employed persons aged 18 – 30 (\$17,000 in 2014), and the household income level of a two-person household applicant should not exceed twice the level of a one-person household. The total net asset of a one-person household and a two-person household should not exceed HK\$300,000 and \$600,000

respectively.

4. Five YHS projects are currently under planning, namely HKFYG's project in Tai Po, Po Leung Kuk's project in Yuen Long, the Tung Wah Group of Hospitals' project in Sheung Wan, the Hong Kong Association of Youth Development's project in Mong Kok and the Hong Kong Girl Guides Association's project in Jordan. A list of projects is at [Annex A](#).

PROJECT SCOPE AND NATURE

5. The site of HKFYG's project is located at 2 Po Heung Street, Tai Po Market. The site was originally granted to HKFYG by way of private treaty for the purpose of a youth centre, namely Tai Po Lions Youth Space for Participation, Opportunities and Training (Youth S.P.O.T.). The Youth S.P.O.T. is currently operated on the subvention of the Social Welfare Department.

6. The proposed project comprises the demolition of the existing Youth S.P.O.T., the construction of a youth hostel and the reprovisioning of the Youth S.P.O.T. While the construction of the youth hostel will be funded by the Capital Works Reserve Fund (CWRF), funding for the Youth S.P.O.T. will be sought from the Lotteries Fund (LF)¹ under the established mechanism. The total construction floor area (CFA) of the building is about 4 040 square metres (m²). The scope of the construction works is as follows –

- (a) construction of a podium (from G/F to 3/F levels) for reprovisioning the Youth S.P.O.T. in-situ, providing two management offices respectively for the youth hostel and the Youth S.P.O.T., and providing communal facilities (including laundry room and common area for reading, social networking and internet access) for the residents of the youth hostel. The podium will also include a garden

¹ LF was established on 30 June 1965 by Resolution of the Legislative Council for the purpose of financing various social welfare services. On the advice of the Lotteries Fund Advisory Committee, the Director of Social Welfare, as the Controlling Officer for LF, will ensure that the application falls within the approved ambit of LF.

on 3/F and plant rooms on G/F and 3/F. The total CFA for the youth centre portion would be around 580 m²; and

- (b) construction of a youth hostel tower above the podium (from 4/F to 19/F, and a roof floor) providing 78 hostel units. The total CFA for the youth hostel portion would be around 3 460 m².

7. The relevant site location plan and section plan are at **Annex B**. An artist's impression is at **Annex C**.

JUSTIFICATIONS

8. The YHS aims to –

- (a) provide an alternative to meeting the aspirations of some working youths in having their own living spaces;
- (b) enable the young tenants to accumulate savings to pursue their medium term aspirations; and
- (c) unleash the potential of the under-utilised sites held by NGOs.

9. The community at large welcomes the YHS initiative and has been urging the Government to expedite its implementation. The Home Affairs Bureau (HAB) has been working closely with and providing necessary assistance to the interested NGOs to help them take forward their proposed YHS projects. We need to embark on the construction of YHS in a timely manner so as to benefit the young people as early as possible.

10. To ensure that the youth hostel is developed and operated in accordance with the policy objectives, HKFYG will be governed by a Grant and Operation Agreement (GOA) and a land lease. The GOA will set out the parameters under which HKFYG will manage and maintain the youth hostel, such as the rental for a hostel place, tenancy period, the

basic eligibility criteria for the youth tenants (e.g. age limit, income and asset limits), and the operation mode of the hostel. As for the land lease, it will govern issues related to the land use for hostel purposes under the YHS and for the Youth S.P.O.T. The Government will reserve the right to re-enter the site and take possession of the entire building in case of breach of lease conditions, or cease of operation of the youth hostel or the Youth S.P.O.T.

FINANCIAL IMPLICATIONS

11. The total project cost for the youth hostel and the Youth S.P.O.T., as computed by HKFYG and in consultation with the Director of Architectural Services, is \$174.9 million in MOD prices, broken down as follows –

	\$ million
(a) Demolition and site clearance	2.2
(b) Foundation	20.0
(c) Building works	64.6
(d) Building services	32.0
(e) Drainage and external works	3.9
(f) Energy conservation, green and recycled features	2.5
(g) Furniture and equipment	8.0
(h) Consultants' fees for	5.3
(i) contract administration	5.0
(ii) management of resident site staff (RSS)	0.3
(i) Remuneration of RSS	3.0
(j) Contingencies	13.7

\$ million

	Sub-total	155.2	(in September 2015 prices)
(1)	Provision for price adjustment	19.7	
	Total	174.9	(in MOD prices)

12. Subject to funding approval, we will phase the expenditure as follows –

Year	\$ million (in Sept 2015 prices)	Price adjustment factor	\$ million (in MOD prices)
2016 – 17	23.4	1.05775	24.8
2017 – 18	100.9	1.12122	113.1
2018 – 19	27.2	1.18849	32.3
2019 – 20	3.7	1.25980	4.7
	<u>155.2</u>		<u>174.9</u>

13. We have derived the MOD estimates on the basis of the Government's latest set of assumptions on the trend rate of change in the prices of public sector building and construction output for the period from 2016 to 2020.

14. The total cost for the construction works will be apportioned between CWRF and LF mainly on the basis of the floor area apportionment between the youth hostel and the Youth S.P.O.T, i.e. 85.57%:14.43%. Certain architectural features, e.g. acoustic facilities in hostel rooms, will be solely borne by CWRF. We estimate the capital cost of the project to be borne by CWRF for the youth hostel is \$150.9 million in MOD prices.

15. The estimated capital cost of \$24 million (in MOD prices) for the reprovisioning of the Youth S.P.O.T. will be borne by LF, the funding approval for which has separately been sought in accordance with the established mechanism.

16. The HKFYG is responsible for the recurrent expenditure regarding the operation and maintenance of the youth hostel.

PUBLIC CONSULTATION

17. We consulted the Environment, Housing and Works Committee of the Tai Po District Council in March 2014. Members generally supported the project. In April 2014, the Town Planning Board approved the amendments to the Tai Po OZP, which were exhibited for two months until June 2014 for the public to inspect or make representations. The draft OZP was subsequently approved by the Chief Executive in Council in September 2015.

IMPLEMENTATION TIMETABLE

18. We plan to submit the proposal in the second quarter of 2016 for consideration by the Public Works Subcommittee (PWSC) and for funding approval by the Finance Committee of the Legislative Council. Subject to funding approval, the project is scheduled for commencement in the third quarter of 2016 for completion in the third quarter of 2018.

ADIVCE SOUGHT

19. Members are invited to comment on the above proposal and to support HAB to submit the proposal to the PWSC for consideration.

Home Affairs Bureau
March 2016

Annex A

Details of YHS Projects Under Planning

	Name of NGO	Site	Est. no. of units	Est. no. of hostel places
1	Tung Wah Group of Hospitals	No. 122A - 130 Hollywood Road, Sheung Wan / IL 338	210	302
2	The Hong Kong Federation of Youth Groups	2 Po Heung Street, Tai Po Market / Lot 1944 in DD 6	78	80
3	Hong Kong Association of Youth Development	9 Arran Street, Mong Kok / KIL 6223	72	90
4	The Hong Kong Girl Guides Association	Junction of Ferry Street and Jordan Road, West Kowloon / Proposed KIL 11128	534	534
5	Po Leung Kuk	Junction of Shap Pat Heung Road and Tai Shu Ha Road West in Ma Tin Pok, Yuen Long	1 248	1680
		Total	2 142	2 686



附件B
Annex B

工地平面圖
SITE LAYOUT PLAN

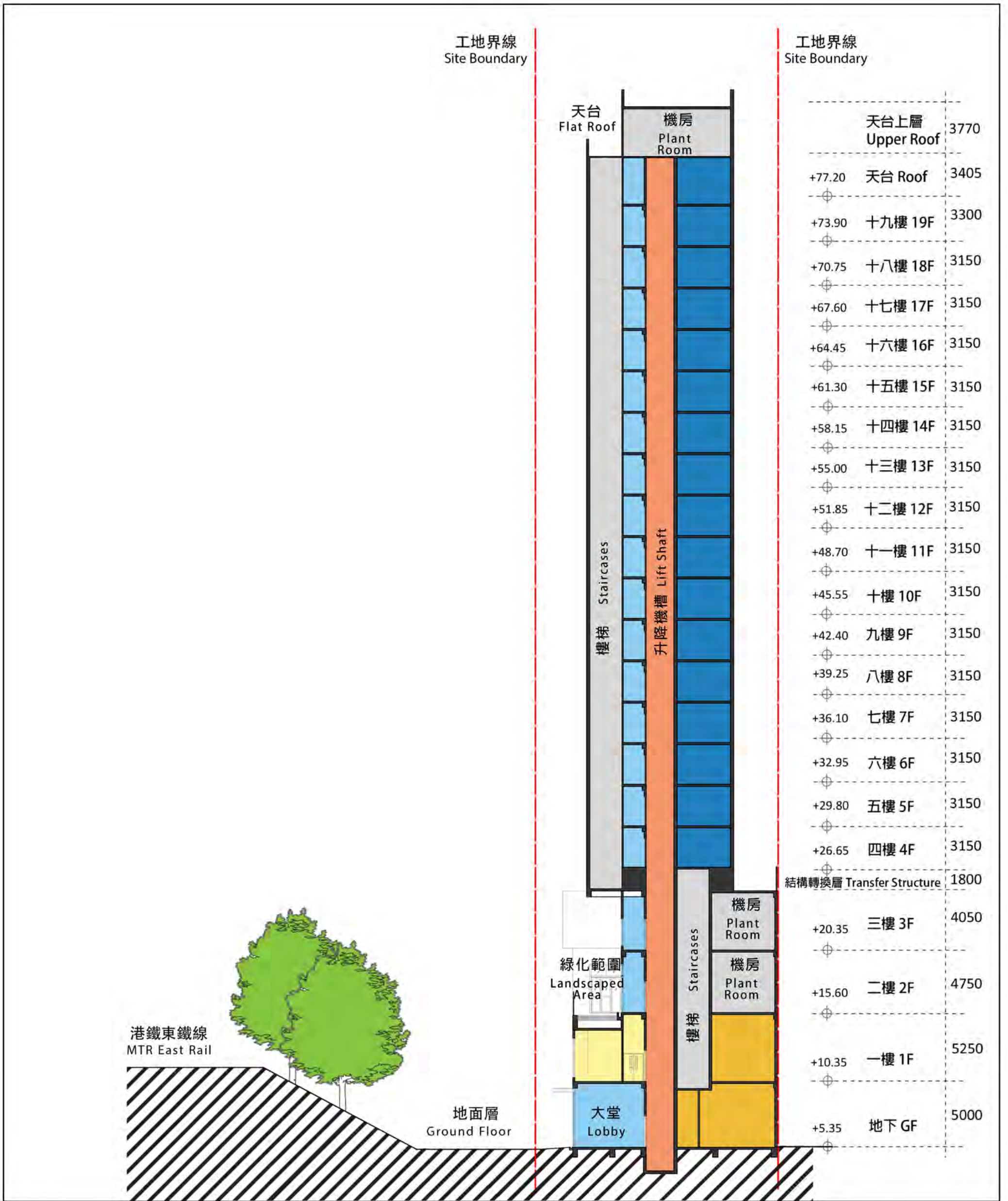
The Hong Kong Federation of
Youth Groups Tai Po Youth Hostel
cum Youth S.P.O.T. Project

圖例
Legend



香港青年協會－大埔青年宿舍及
青年空間

The Hong Kong Federation of
Youth Groups Tai Po Youth Hostel
cum Youth S.P.O.T. Project



剖面圖 A-A
SECTION A-A

香港青年協會－大埔青年宿舍及青年空間
The Hong Kong Federation of Youth Groups
Tai Po Youth Hostel
cum Youth S.P.O.T. Project

圖例
Legend

- 青年空間
Youth S.P.O.T.
- 公用地方
Common Area
- 青年宿舍
Youth Hostel
- 附屬設備
Ancillary Facilities
- 機房/樓梯/升降機
Plant Rooms / Staircases / Lifts
- 暢通易達升降機
Accessible Lift
- 綠化範圍
Landscaped Area
- 工地界線
Site Boundary

0 1 2 3 5metres

**Hong Kong Federation of Youth Groups –
Tai Po Youth Hostel and Youth S.P.O.T. Project**

香港青年協會 - 大埔青年宿舍及青年空間



從西面望向大樓的構思圖

**View of complex from the west
(artist's impression)**



從東北面望向大樓的構思圖

**View of complex from north
(artist's impression)**