

**For discussion
on 7 December 2020
(Revised paper – supersede the LC Paper No. CB(1)54/20-21(03) issued on
30 October 2020)**

Legislative Council Panel on Housing

Funding Scheme to Support Transitional Housing Projects by Non-government Organisations

PURPOSE

This paper seeks Members' views on the proposed injection of an additional funding of \$3.3 billion to the Funding Scheme to Support Transitional Housing Projects by Non-government Organisations (NGOs) (Funding Scheme).

PROPOSAL

2. As one of the six new housing initiatives announced by the Chief Executive on 29 June 2018, the Task Force on Transitional Housing (TFTH) has been established under Transport and Housing Bureau (THB) to actively participate and facilitate various short-term initiatives proposed and implemented by the community with a view to increasing the supply of transitional housing to relieve the pressure of families living in unpleasant conditions and those waiting for Public Rental Housing for a long time. Transitional housing projects supported by the Government, led by the TFTH, such as Nam Cheong Street, Conversion of Lok Sin Tong Primary School, and Trackside Villas were completed in Q3 2020 and substantially oversubscribed.

3. Establishment of a \$5 billion funding scheme was supported by Legislative Council Panel on Housing vide Paper No. LC Paper No. CB(1)67/19-20(04) to facilitate NGOs to take forward transitional housing projects for providing a total of 10 000 units within three years (from 2020-21 to 2022-23). The Government subsequently announced on 14 January 2020 increasing the target to a total of 15 000 transitional housing units. The Finance Committee (FC) approved on 6 March 2020 the funding allocation of \$5 billion to set up the Funding Scheme, while TFTH would continue to review the funding needs and, if necessary, seek additional resources in accordance with established mechanism.

4. Since the launch of the Funding Scheme in June 2020, many NGOs have expressed interest in obtaining financial support from the Funding Scheme to implement their transitional housing initiatives in providing transitional housing units. As at November 2020, five applications were received and approved with total funding amount of \$2,230.8 million providing 4 076 units which is about \$0.547 million per unit on average. As such, we estimate that additional funding is required to meet the increased target of 15 000 units. The Government therefore proposes to inject an additional funding of \$3.3 billion to the existing Funding Scheme. Details of the proposal are set out in **Annex A**.

5. For the newly constructed transitional housing projects, ancillary facilities and social services are provided for the benefits of the tenants of the transitional housing and also the nearby residents to achieve a harmony community. For example, the two large scale transitional housing projects in Kong Ha Wai and Tung Tau, Yuen Long, providing 1 998 units and 1 800 units respectively, for which planning permissions have been granted by Town Planning Board. These two projects are equipped with ancillary buildings for providing necessary facilities and services¹ such as social services centre, communal laundry and convenience store. Location plans of the amenity blocks are shown in **Annex B**.

FINANCIAL IMPLICATIONS

6. An additional non-recurrent funding of \$3.3 billion will be required for injection to the Funding Scheme, on top of the original approved commitment of \$5 billion. The estimated cash flow requirement of the Funding Scheme is set out in **Annex A**.

WAY FORWARD

7. We plan to seek the Legislative Council's approval of the proposal in accordance with the established mechanism.

¹ Proposed services provided in the amenity block in Kong Ha Wai project include: supermarket, self-service laundry, accessible transport services; Chinese medicine, dental service & health kiosk; elderly services, youth support services; and children & family services (https://www.info.gov.hk/tpb/tc/plan_application/A_YL-KTS_847.html). Proposed services provided in the amenity blocks in Tung Tau project include: after school care services, parental & marital relationship services, volunteers training, environmental education & mutual help support groups; health education, healthy lifestyles promotion, nurse counselling & health risks assessment; career guidance, facilitation and counselling, soft skills and vocational skills training and job matching; convenience store, communal laundry, communal kitchen and shared goods library (https://www.info.gov.hk/tpb/en/plan_application/A_YL-NSW_281.html).

ADVICE SOUGHT

8. Members are invited to provide comments on the above-mentioned proposal.

**Transport and Housing Bureau
December 2020**

Additional Funding Injection to the Funding Scheme to Support Transitional Housing Projects by Non-government Organisations

PURPOSE

This annex sets out the detailed proposal for injecting an additional funding of \$3.3 billion to the Funding Scheme to Support Transitional Housing Projects by Non-government Organisations (NGOs) (Funding Scheme). Together with the original funding of \$5 billion, it is expected that the Funding Scheme can support the provision of a total of 15 000 transitional housing units.

BACKGROUND

2. Since its launch in June 2020, the Funding Scheme has been warmly received by the community. During the period from July to November 2020, five transitional housing development funding applications from NGOs, which were targeted to provide a total of about 4 076 units at a total funding of \$2,230.8 million, have been approved¹. As at November 2020, sufficient land has been identified for about 13 200 transitional housing units, including 1 165 units which have been completed by 16 NGOs/community organisations, a series of projects which have been launched² involving about 8 700 units, and about 3 400 units under in-depth study. Those 8 700 units being launched include 2 300 units under construction and 6 400 units which were announced. Details of the above-mentioned transitional housing projects have been published on the website of Transport and Housing Bureau at <https://www.thb.gov.hk/eng/policy/housing/policy/transitionalhousing/transitionalhousing.htm> (Detail breakdowns are listed at **Appendix**).

¹ The five approved projects are:

- (i) Transitional housing development at Kong Ha Wai, Kam Tin, Yuen Long, by Pok Oi Hospital. With total funding of \$1,098.9 million, it is expected to provide about 1 998 units;
- (ii) Transitional housing development at junction of Chatham Road North and Hok Yuen Street, Hung Hom, by St James' Settlement. With a total funding of \$16.15 million, it is expected to provide about 38 units;
- (iii) Transitional housing development at Yip Shing Street, Kwai Chung, by the Hong Kong Council of Social Service. With a total funding of \$60.886 million, it is expected to provide about 116 units;
- (iv) Transitional housing development at Tung Tau, Yuen Long, by Hong Kong Sheng Kung Hui Welfare Council Limited. With total funding of \$990 million, it is expected to provide about 1 800 units; and
- (v) Transitional housing development at junction of Hoi Hing Road and Hoi Kok Street, Tsuen Wan, by Yan Chai Hospital Board. With a total funding of \$64.9 million, it is expected to provide about 124 units.

² Projects are at different development stages, including:

- (i) local consultation for the design details has been commenced;
- (ii) procurement process for consultancy contracts has been commenced; or
- (iii) procurement process for works contract has been commenced.

PROPOSALS AND JUSTIFICATIONS

3. On 14 January 2020, the Government announced that it would further increase the three-year supply target of transitional housing from 10 000 to 15 000 units. Transitional housing projects supported by the Government, led by the Task Force on Transitional Housing (TFTH) under the Transport and Housing Bureau (THB), such as Nam Cheong Street, Conversion of Lok Sin Tong Primary School, and Trackside Villas were substantially oversubscribed and many NGOs have expressed interest in obtaining financial support from the Funding Scheme to implement their transitional housing initiatives in providing transitional housing units.

4. As at November 2020, five applications were received and approved with total funding amount of \$2,230.8 million providing 4 076 units which is about \$0.547 million per unit on average. As such, we estimate that additional funding is required to meet the increased target of 15 000 units. The Government therefore proposes to inject an additional funding of \$3.3 billion to the existing Funding Scheme.

IMPLEMENTATION PLAN

5. The Funding Scheme was formally launched in June 2020. NGOs which have secured in-principle policy support from THB on or after 27 February 2019³, when the 2019-20 Budget was delivered, for their transitional housing projects and where tenants have yet to move in may apply for funding. The proposed injection of additional funding will help achieve the increased supply target of transitional housing to 15 000 units by 2023.

FINANCIAL IMPLICATIONS

6. We estimate that an additional non-recurrent funding of \$3.3 billion will be required to support the target of providing 15 000 units by 2023, as detailed below –

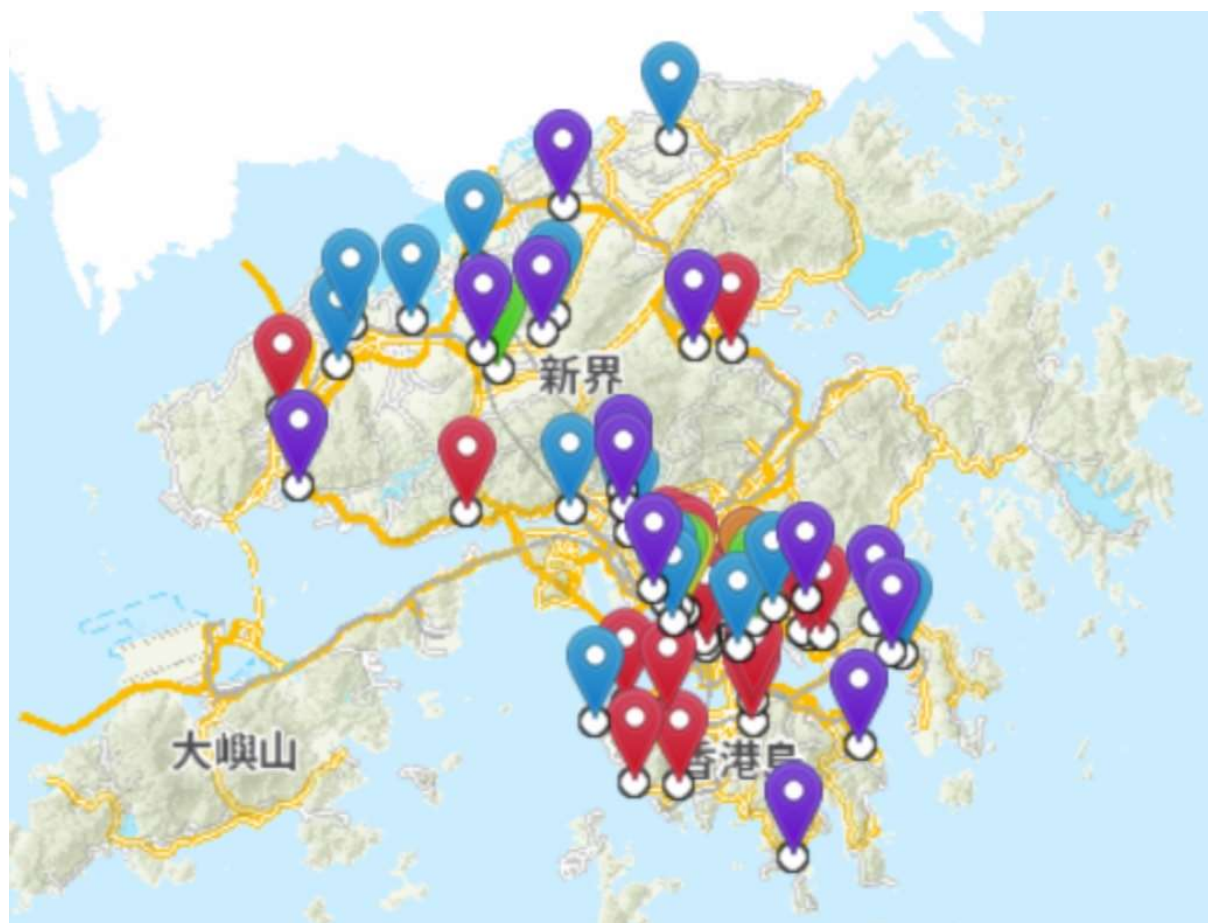
		(\$' billion)
(a)	Subsidy for transitional housing by NGOs ⁴	8.3
(b)	Minus: original funding ⁵	(5.0)
	Total	3.3

³ Applications for project with works already commenced before 27 February 2019 would not be accepted.
⁴ The estimation is based on the target of delivering 15 000 units and the cost ceiling of \$0.55 million for each transitional housing unit to be provided through erection of temporary structure on vacant land, and in non-residential buildings.
⁵ FC approved \$5 billion on 6 March 2020. Members may refer to Paper No. FCR(2019-20)45 for details.

7. Funding would be disbursed to successful applicants of the Funding Scheme by instalments subject to the fulfilment of project milestones stated in the funding agreement, the verification of certified invoices or bills and work done. The estimated cost for the proposal will be included and reflected in the draft Estimates of the relevant financial years. The annual cash flow is essentially demand driven and will depend on the actual number of applications received and approved, as well as the amount of subsidy to be disbursed each year. The estimated cash flow requirement upon funding injection is set out below for budgeting purpose –

Estimated Cash Flow (by years)	(\$ million)
2020-21	100
2021-22	3,000
2022-23	3,500
2023-24	1,500
2024-25	200
Total	8,300

Details of Transitional Housing Projects (As at November 2020)



	No. of Units	Accumulated Benefited Families	Accumulated Benefited Persons
Completed projects	1 165	1 394	3 778
- Conversion from residential units	1 025	1 288	3 561
- Conversion from non-residential units	51	19	55
- Newly-constructed residential blocks	89	87	162
Works in progress	2 318	-	-
Launched projects *	6 364	-	-
Projects under in-depth study	3 390	-	-
Total:	13 237	-	-

* Projects are at different development stages, including:

- (i) local consultation for the design details has been commenced;
- (ii) procurement process for consultancy contracts has been commenced; or
- (iii) procurement process for works contract has been commenced.

(1) Projects in Existing Residential Buildings (Completed)

Operating Organisation/ Developer	Land Owner (Private/ Government)	Project Name	Project Location	No. of Units (Estimated)
Light Be	Private Land	Light Home	Scattered in different districts	80
Light Be	Government Land	Light Housing	Sham Tseng	40
Society for Community Organization	Private Land	Happiness x Home Community Kim Shin Lane, Cheung Sha Wan	Tai Kok Tsui, Cheung Sha Wan	25
Society for Community Organization	Private Land	Joy To Gather	Shun Sing Mansion, Western District	47
Society for Community Organization	Private Land	Friend Home	Tai Kok Tsui	24
Society for Community Organization	Private Land	Electric Road	Electric Road, North Point	5
Lok Sin Tong	Private Land	Lok Sin Tong Social Housing Scheme	Fuk Lo Tsun Road, Kowloon City, Nam Kok Road, Kowloon City, Lok Shan Road, To Kwa Wan, Liberty Avenue, Homantin	88
St. James' Settlement	Private Land	James' House	Soy Street, Mongkok	14
Hong Kong Sheng Kung Hui Welfare Council	Private Land	Good Homes	To Kwa Wan	60

Operating Organisation/ Developer	Land Owner (Private/ Government)	Project Name	Project Location	No. of Units (Estimated)
The Aberdeen Kai-fong Welfare Association Social Service	Private Land	Best Neighbour Walk Together	World Fair Court, Wah Fu Road	16
The Salvation Army	Private Land	Home Plus	Ha Heung Road, To Kwa Wan	53
Hong Kong Housing Society	Private Land	Transitional Rental Housing Scheme - Yue Kwong Chuen	Shek Pai Wan, Aberdeen	270
Hong Kong Housing Society	Private Land	Transitional Rental Housing Scheme - Kwun Tong Garden Estate Phase 2	Yin Chee Lau and Hay Cheuk Lau, Kwun Tong Garden Estate, Kwung Tong	30
Yan Oi Tong	Private Land	Green Garden	Tong Hang Road, Tuen Mun	11
Kwun Tong Methodist Social Service	Private Land	Yee Cheong Building, Kwun Tong	Yee Cheong Building, Kwun Tong	1
J Life Foundation	Private Land	Pitt Street, Yau Ma Tei	Pitt Street, Yau Ma Tei	1
J Life Foundation	Private Land	Yee Kuk Street, Sham Shui Po	Yee Kuk Street, Sham Shui Po	1
Baptist Oi Kwan Social Service St. James' Settlement	Private Land	Tai Ko Tsui (estimated intake date is April 2020)	Lai Chu Building, Tai Kwok Tsui	9
Baptist Oi Kwan Social Service St. James' Settlement	Private Land	Soy Street, Mongkok (estimated intake date is March 2020)	Soy Street, Mongkok	49
J Life Foundation	Private Land	Castle Peak Road, Cheung	Castle Peak Road, Cheung	6

Operating Organisation/ Developer	Land Owner (Private/ Government)	Project Name	Project Location	No. of Units (Estimated)
		Sha Wan (estimated in- take date is April 2020)	Sha Wan	
The Society of Rehabilitation and Crime Prevention, Hong Kong	Private Land	Staunton Street	Staunton Street, Central	6
Concern for Grassroots Livelihood Alliance	Private Land	Mongkok	Mongkok	2
Concern for Grassroots Livelihood Alliance	Private Land	Man Hoo Court, Yau Ma Tei	Man Hoo Court, Yau Ma Tei	1
Christian Concern for the Homeless Association	Private Land	Sham Shui Po	Sham Shui Po	1
Hong Kong Housing Society	Private Land	“T-Home” - Trackside Villas, Tai Po	MTR Corporation properties at Tai Po Kau, Tai Po	185
Sub-total of projects in existing residential buildings (Completed)				1 025

(2) Conversion of non-residential buildings (Completed)

Operating Organisation/ Developer	Land Owner (Private/ Government)	Project Name	Project Location	No. of Units
Lok Sin Tong	Private Land	Lok Sin Tong Primary School	Lung Kong Road, Kowloon City	51
Sub-total of conversion of non-residential buildings (Completed)				51

(3) Newly-built projects (Completed)

Operating Organisation/ Developer	Land Owner (Private/ Government)	Project Name	Project Location	No. of Units
The Hong Kong Council of Social Service/ Henderson Land	Private Land	Nam Cheong Street, Sham Shui Po	Nam Cheong Street, Sham Shui Po	89
Sub-total of newly-built projects (Completed)				89

(4) Newly-built Projects under Construction

Operating Organisation / Developer	Land Owner (Private/ Government)	Project Name	Project Location	No. of Units (Estimated)	Estimated Completion date
Lok Sin Tong	Government Land	Song Wong Toi Road, To Kwa Wan	Song Wong Toi Road, To Kwa Wan	110	Completion in Q1 2021
Pok Oi Hospital / Henderson Land	Private Land	Kam Tin, Yuen Long	Kong Ha Wai	1 998	Phase 1 completion in Q1 2022 Phase 2 completion in Q1 2023
The Hong Kong Council of Social Service	Government Land	Yen Chow Street, Sham Shui Po	Junction of Yen Chow Street and Tung Chau Street, Sham Shui Po	210	Completion in Q4 2021
Sub-total of newly-built projects under construction				2 318	

(5) Launched Projects

Operating Organisation/ Developer	Land Owner (Private/ Government)	Project Location	Estimated No. of Units
Society for Community Organization	Government Land	Victoria Road	11
St. James Settlement	Government Land	Junction of Chatham Road and Hok Yuen Road	38
The Hong Kong Council of Social Service	Government Land	Yip Shing Street, Kwai Chung	116
Society for Community Organization	Government Land	Ying Wa Street, Cheung Sha Wan	140
Yan Chai Hospital	Government Land	Hoi Hing Road, Tsuen Wan	124
The Hong Kong Council of Social Service	Government Land	Junction of Chi Shin Street and Po Yap Road, Tseung Kwan O	340
The Hong Kong Council of Social Service	Government Land	Hoi Fan Road, Tai Kok Tsui	120
Pok Oi Hospital (Professional advice from Urban Renewal Authority)	Government Land	Ping Che, Ta Ku Ling	711
Hong Kong Sheng Kung Hui Welfare Council/ Sun Hung Kai Properties	Private Land	Tung Tau, Yuen Long	1 800
Tung Wah Groups	Government Land	Muk On Street, Kai Tak	460
To be confirmed	Government Land	Fan Kam Road, Yuen Long	500
To be confirmed	Government land	Ngau Tam Mei, Yuen Long	1 500
Yan Oi Tong (Professional advice from Urban Renewal Authority)	Government Land	Hung Shui Kui, Yuen Long	404
Light Be/ New World	Private Land	Near Tin Shui Wai MTR Station	100
Sub-total of launched projects			6 364

(6) Projects under In-depth Study

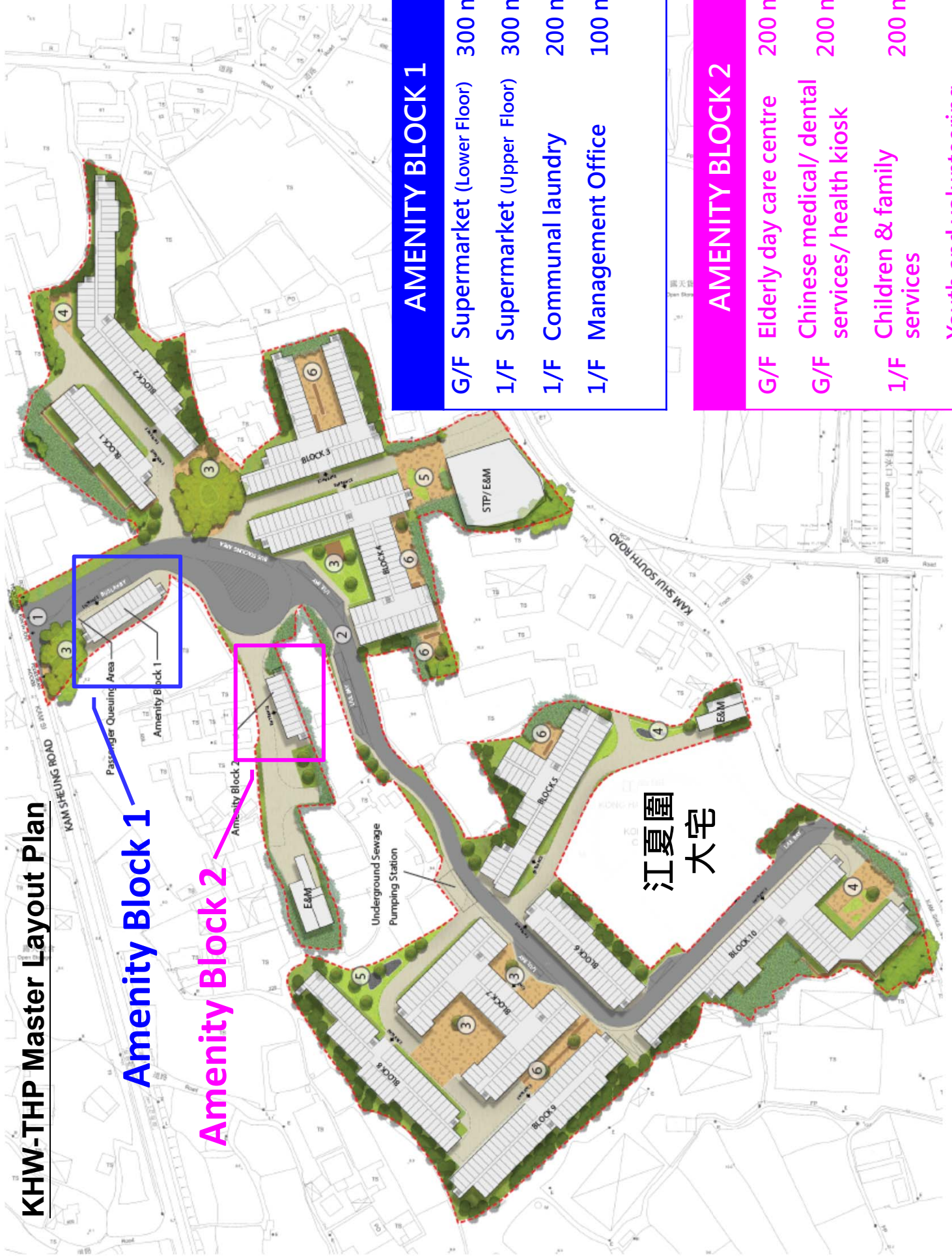
Operating Organisation/ Developer	Land Owner (Private/ Government)	Project Location	Estimated No. of Units
The Hong Kong Council of Social Service	Government Land	Tong Yin Street, Tseung Kwan O	200
The Hong Kong Council of Social Service	Government Land	Po Lam Road North, Tseung Kwan O	200
Lok Sin Tong	Government Land	Ex-Tsuen Wan Lutheran School, Cheung Shan Estate, Tsuen Wan	130
Operator to be confirmed (Professional advice and project management support from Hong Kong Construction Association)	Government Land	Pat Heung North, Yuen Long	900
The Hong Kong Council of Social Service & Lok Sin Tong/ Wheelock	Private Land	Plover Cove, Tai Po	850
Operator to be confirmed/ Sun Hung Kai Properties	Private Land	Kam Tin and Kwu Tung, Yuen Long	400
Lok Sin Tong	Government Land	Choi Hing Road, Choi Hung	150
Society for Community Organization	Government Land	Sheung On Street, Chai Wan	50
The Salvation Army	Government Land	Ex-Salvation Army Lau Ng Ying School, Sam Shing Estate, Tuen Mun	120
Society for Community Organization	Government Land	Junction of Yau Ma Hom Road and Cheong Wing Road, Tsuen Wan	200
To be confirmed	Government Land	Ex-Cheung Sha Wan Cooked Food Bazaar, Cheung Shun Street, Cheung Sha Wan	116

Operating Organisation/ Developer	Land Owner (Private/ Government)	Project Location	Estimated No. of Units
Aberdeen Kai-fong Welfare Association	Government Land	Ex-Stanley School, Carmel Road, Stanley	74
Sub-total of projects under in-depth study			3 390
Total no. of units			13 237

KHW-THP Master Layout Plan

Amenity Block 1

Amenity Block 2



AMENITY BLOCK 1

G/F	Supermarket (Lower Floor)	300 m ²
1/F	Supermarket (Upper Floor)	300 m ²
1/F	Communal laundry	200 m ²
1/F	Management Office	100 m ²

AMENITY BLOCK 2

G/F	Elderly day care centre	200 m ²
G/F	Chinese medical/ dental services/ health kiosk	200 m ²
1/F	Children & family services	200 m ²
1/F	Youth and volunteering services	200 m ²

Tung Tau - Master Layout Plan

