

Issue No. 7/2019

## Provision of Transitional Housing in Converted Existing Industrial Building

This Practice Note supplements (i) Lands Department ("LandsD") Lands Administration Office ("LAO") Practice Note No. 1/2010 as varied by LandsD LAO Practice Note Nos. 1/2010A and 1/2010B (collectively "1/2010 PNs") and supplemented by LandsD LAO Practice Note No. 2/2016; and (ii) LandsD LAO Practice Note No. 6/2019 ("PN 6/2019"), both of which are in relation to special waiver for conversion of an entire existing industrial building for non-industrial purposes (collectively "Special Waiver").

- 2. In accordance with Government's prevailing policy of facilitating community-initiated transitional housing projects, owners may apply for a waiver (as part of or in addition to the application for the Special Waiver, or otherwise) for the conversion of an existing industrial building and for the provision and use of the converted industrial building or part thereof, situated in an area zoned "Commercial", "Comprehensive Development Area", "Other Specified Uses" annotated "Business", or "Residential" according to the statutory town plans prepared pursuant to the Town Planning Ordinance, any regulations made thereunder and any amending legislation (collectively "TPO"), for transitional housing purposes ("Transitional Housing Waiver") for a term of not more than five (5) years provided that:
  - (a) the transitional housing is to be run by a non-profit making organisation<sup>1</sup> or social enterprise<sup>2</sup> (collectively "NGOs") and the waiver application is supported by the Transport and Housing Bureau ("THB"). To this end, the Task Force on Transitional Housing ("Task Force") has been established under THB to provide one-stop facilitation; and
  - (b) the temporary use as transitional housing is permitted under the statutory town plans prepared pursuant to the TPO<sup>3</sup>.

A non-profit making organisation refers to a charitable institution or trust of a public character exempt from tax under section 88 of the Inland Revenue Ordinance (Cap. 112), or a company incorporated under the Companies Ordinance (Cap. 622) or the former Companies Ordinance (Cap. 32) as limited by guarantee whose objects and powers do not include distribution of profits to members, or a non-profit-making society registered or body established under any legislation in Hong Kong.

In general, a social enterprise ("SE") is a business to achieve specific social objectives such as providing services or products needed by the community, creating employment and training opportunities for the socially disadvantaged and protecting the environment. Its profits will be principally reinvested in the business for the social objectives it pursues. It is expected that the SE should be an institution listed under the "Hot spots for consumptions at SEs" compiled by the Home Affairs Department (www.social-enterprises.gov.hk/en/hotspots/full\_text.html), or the "Social Enterprise Directory" compiled by the Social Enterprise Business Centre (socialenterprise.org.hk/en/sedb)

Owners are advised to note the announcement made by the Town Planning Board through a press release on 26 November 2018 about eligible transitional housing for temporary use in the context of statutory town plans (<a href="https://www.info.gov.hk/gia/general/201811/26/P2018112600305.htm">www.info.gov.hk/gia/general/201811/26/P2018112600305.htm</a>).

In making the application (particularly if it does not form part of the original application for the Special Waiver), owners are advised to refer to Appendices I and II to PN 6/2019 for a sample of the format of such an application and information on the use of the information provided in the application respectively. For the avoidance of doubt, no new application for the Special Waiver under the 1/2010 PNs would be accepted. However, owners may submit a supplementary application for the Transitional Housing Waiver for cases where the Special Waiver application is under processing, or a new application for the Transitional Housing Waiver in respect of the wholesale-converted building or part thereof covered by the Special Waiver issued pursuant to the 1/2010 PNs.

- 3. The Transitional Housing Waiver (as part of the Special Waiver or otherwise), if approved by LandsD, will be granted at nil waiver fee, nil deposit and nil or no additional administrative fee (as the case may be) and subject to such other terms and conditions as may be imposed by LandsD (including those as recommended by the Task Force) at its sole and absolute discretion, such as restriction on letting of the wholesale-converted industrial building or part thereof for transitional housing purposes to the NGOs as agreed by THB.
- 4. Owners are reminded of the need to approach other relevant authorities and departments, such as the Town Planning Board, Fire Services Department and the Building Authority to ensure compliance with all applicable requirements and to obtain all necessary approvals, permits, permissions or licences that may be required under any Ordinances, by-laws or regulations that are in force from time to time, whether or not the provision of transitional housing that may be required or permitted under the Transitional Housing Waiver would involve any alteration, structural or otherwise, to the existing industrial building. The issue of a Transitional Housing Waiver should not be construed as any guarantee by LandsD on the feasibility of the proposed transitional housing use in the subject building nor accepting any liability on the expenses the owners may or had incurred.
- 5. Every application submitted to LandsD pursuant to this Practice Note will be considered on its own merits by LandsD at its absolute discretion acting in its capacity as a landlord, who may approve or reject any such application. This Practice Note shall not constitute any representation on the part of the Government or give rise to any expectation on the part of the applicant that any application submitted to the LandsD will be processed or approved.
- 6. This Practice Note is issued for general reference purposes only. All rights to modify the whole or any part of this Practice Note are hereby reserved.

(Thomas Chan) Director of Lands

18 April 2019