

Appendix 3

The Incentive Scheme for RCHDs



Lands Administration Office

Lands Department

Practice Note

Issue No. 10/2023

Incentive Scheme to Encourage Provision of Residential Care Homes for Persons with Disabilities in New Private Developments

In pursuance of a policy initiative in the 2023-24 Budget and the 2023 Policy Address, an incentive scheme will be introduced to encourage the provision of residential care homes for persons with disabilities (“RCHD”) in new private developments¹.

2. A time-limited pilot arrangement will be introduced from 20 December 2023 to 19 December 2026 (“the Pilot Period”). During the Pilot Period, LandsD may grant the following concessions (collectively “the Time-Limited Concessions”) upon applications from the developers:

- (i) exempt one or more eligible RCHD premises² with a size not exceeding a maximum total gross floor area (“GFA”) ³ of 12,000m² or 10% of the total permissible GFA under lease⁴, whichever is the greater, per development project from payment of land premium in respect of lease modifications, land exchanges and private treaty grants for new private developments (“the Land Transactions”); and

¹ Industrial developments are excluded. Addition to or alteration or conversion of existing building(s) will not be considered as constituting a new private development.

² To become eligible, the RCHD premises has to comply with the Town Planning Ordinance (Cap. 131) (“TPO”) and the Buildings Ordinance (Cap. 123) (“BO”), among others. Planning application under section 12A or section 16, as appropriate, of the TPO is required if the proposed RCHD is not always permitted and/or has resulted in exceedance of the maximum plot ratio/GFA/building height permissible under the Notes of the respective Outline Zoning Plan (“OZP”). The Town Planning Board will consider each application based on individual merits of the case. RCHD in private development is GFA accountable under the Building (Planning) Regulations. During the Pilot Period, the Building Authority is prepared to grant modification to permit a higher plot ratio/GFA to accommodate the additional GFA of the RCHD in the development site under the BO taking into account the Planning Department (“PlanD”)’s advice on the planning intention as well as whether the provisions and requirements under the OZP or planning approval have been complied with when processing the general building plans.

³ General guideline on the calculation of GFA for RCHD premises is set out at **Annex**.

⁴ All references to “lease” in this Practice Note shall include Government Lease or Conditions of Grant / Sale / Exchange, as the case may be.

- (ii) exempt eligible RCHD premises from the calculation of total permissible GFA under lease.

3. Applications for the Time-Limited Concessions received after the Pilot Period will not be considered.

4. After the expiry of the Pilot Period on 19 December 2026, developers in the Land Transactions may apply for concession to exempt one eligible RCHD premises with a size not exceeding a maximum total GFA of 5,400m² per development project from payment of land premium ("the Concession"). The Concession does not include exemption of GFA of the eligible RCHD premises from the total permissible GFA under lease.

5. To be eligible for the Time-Limited Concessions or the Concession, the proposed RCHD premises must have the support of the Social Welfare Department ("SWD"). The Time-Limited Concessions or the Concession, if granted, will be subject to the following conditions:-

- (i) The size and location of the RCHD premises will have to be approved by SWD. No sub-division of the RCHD premises will be allowed and assignment, mortgage, underletting, or other disposal of the RCHD premises will be prohibited except as a whole unit;
- (ii) Provision of the RCHD premises must comply with all requirements as may be imposed by SWD and all applicable ordinances, by-laws or regulations that are in force from time to time;
- (iii) Throughout the term under lease, the RCHD premises shall be managed and operated as licensed RCHD(s) under the Residential Care Homes (Persons with Disabilities) Ordinance (Cap. 613) and its subsidiary legislation and to the satisfaction of SWD; and
- (iv) The above requirements shall be stipulated as conditions under lease, as appropriate.

6. Subject to the above and the approval of SWD, developers will be allowed to either lease or sell each completed RCHD premises as a whole unit or operate the RCHD concerned by themselves. However, any unauthorized change of use or leaving the RCHD premises vacant for a period in excess of 12 months as identified by SWD may render the premises liable

for enforcement actions under the lease conditions, including re-entry proceedings and the taking of possession of the RCHD premises by the Government without compensation.

7. Interested parties should also refer to the Guidance Note on this subject released by SWD on its website in December 2023.

8. Each application submitted to LandsD pursuant to this Practice Note ("PN") will be considered on its own merits by LandsD at its absolute discretion acting in its capacity as a landlord. This PN shall not constitute any representation on the part of the Government or other authorities or give rise to any expectation on the part of the applicant that any application submitted to LandsD will be processed or approved.

9. This PN is issued for general reference purposes only. All rights to modify the whole or any part of this PN are hereby reserved.



(Andrew LAI)
Director of Lands
20 December 2023

**General Guideline on Calculation of GFA for
RCHD Premises**

Annex

GFA of eligible RCHD premises includes the following areas as illustrated in Figure 1:

- (a) Areas of RCHD(s) (including the enclosing wall(s) of and structure(s) within the premises) (i.e. the areas of RCHD 1 and RCHD 2 – coloured yellow in Figure 1); and
- (b) Staircases, lift shafts, lobbies and corridors solely serving the RCHD(s) (i.e. the areas of Staircase 1, Staircase 2, Lift 1 and Corridor 1 – coloured orange in Figure 1) including horizontal areas of such staircases and lift shafts passing through the RCHD floor and serving RCHD only at that floor.

Remarks:

- (1) RCHD's GFA does not include horizontal areas of staircases, lift shafts, lobbies and corridors shared by other uses on the same floor (i.e. the areas of Staircase 3, Staircase 4, Lift 2, Lift 3 and Corridor 2 shown in Figure 1).
- (2) During the RCHD licensing process under the Residential Care Homes (Persons with Disabilities) Ordinance (Cap. 613), the enclosing wall(s) and structure(s) within RCHD(s) are excluded from the calculation of area of floor space per resident.
- (3) Plant rooms, car parking spaces, loading and unloading areas of the development may be disregarded from GFA calculation according to the prevailing GFA concession mechanism except for (4) below.
- (4) Non-mandatory and non-essential plant rooms and horizontal areas of vertical ducts solely serving the RCHD are not subject to 10% overall cap of GFA concession under Practice Note for Authorized Persons, Registered Structural Engineers and Registered Geotechnical Engineers APP-151 issued by the Buildings Department ("BD").
- (5) PlanD and LandsD will rely on BD's verified computation of GFA for the RCHD(s) as shown on the general building plans when exercising their authority to check compliance with the requirements/conditions imposed under their respective regimes.
- (6) This Guideline provides general guidance on the computation of GFA for the purposes of this Practice Note. Whether any areas will be included or omitted from the calculation of GFA for RCHD premises will be considered on a case-by-case basis.

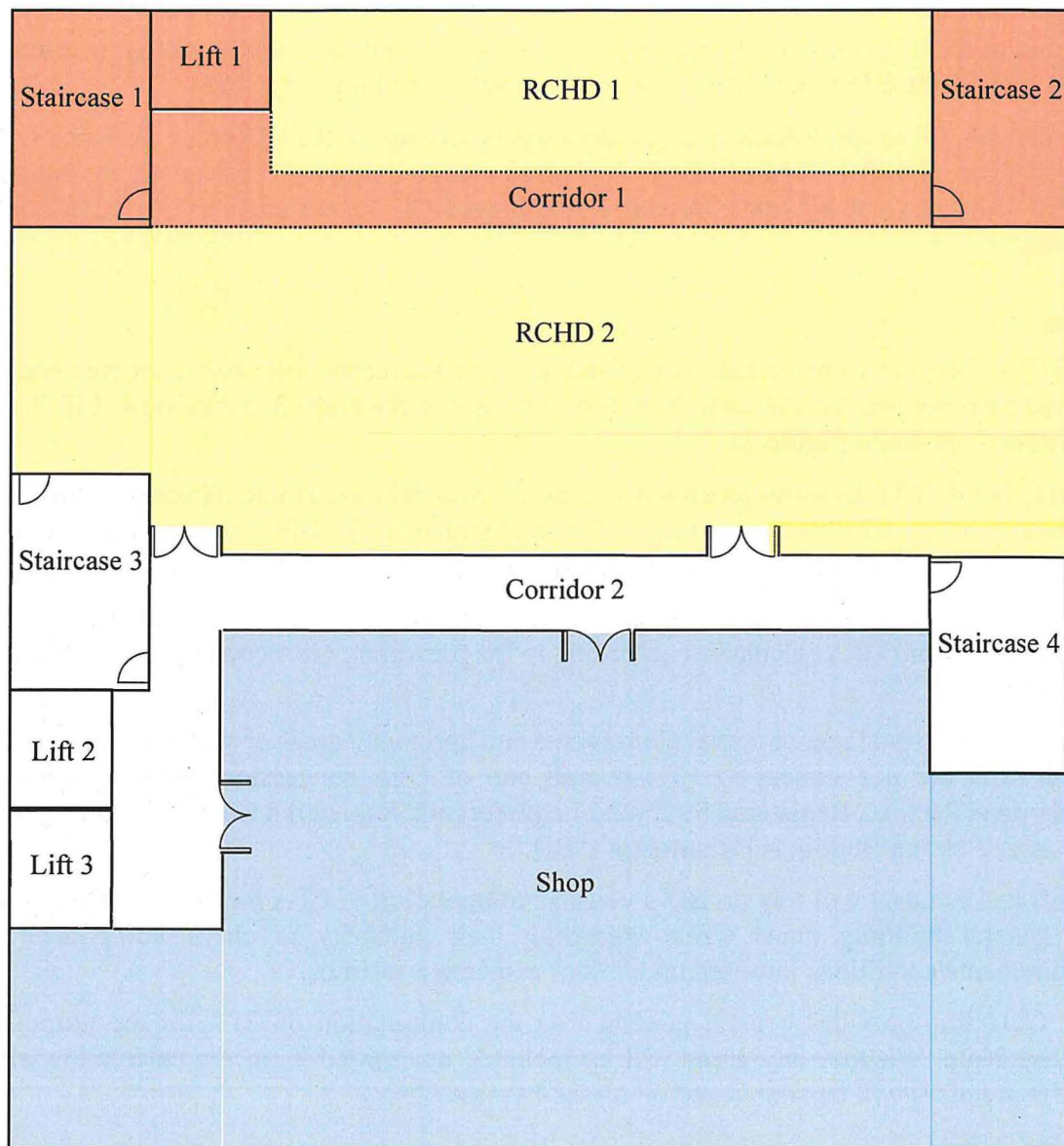


Figure 1

(12/2023)