

Box 3.1

Latest Government measures on housing and land supply (October 2019)

In her 2019 Policy Address, the Chief Executive announced various measures and plans on housing and land supply, as summarised below.

(1) Housing policy

Provide Assistance to Home Buyers

- Raise the cap on the value of the properties eligible for a mortgage loan of maximum cover of 90% loan-to-value ratio from \$4 million to \$8 million for first-time home buyers under the Mortgage Insurance Programme (MIP) of the Hong Kong Mortgage Corporation (HKMC) Insurance Limited.
- Raise the cap on the value of the properties eligible for a mortgage loan of maximum cover of 80% loan-to-value ratio from \$6 million to \$10 million under the MIP of the HKMC Insurance Limited.

Transitional Housing and Youth Hostel Projects

- Set aside \$5 billion to increase the number of transitional housing projects substantially to provide a total of 10 000 units within the next three years.
- Provide 3 300 youth hostel places and relax the prevailing requirement to allow tenants of the Youth Hostel Scheme to submit/retain their applications for public rental housing (PRH) and continue to accumulate points under the Quota and Points System.

Public Housing, Starter Homes (SH) and Other Housing

- Propose Hong Kong Housing Authority (HKHA) to actively prepare for accelerating the sale of the existing 42 000 unsold flats in the 39 estates under the Tenants Purchase Scheme.
- Put up about 12 000 flats under the Home Ownership Scheme and Green Form Subsidised Home Ownership Scheme for pre-sale next year.
- Suggest HKHA further raise the quota of the White Form Secondary Market Scheme in 2020.
- Launch the second SH for Hong Kong Residents pilot project at the Anderson Road site, enlisting private developers to provide about 1 000 SH units for sale.
- Entrust the Urban Renewal Authority (URA) with a new mission to provide more SH or other types of subsidised sale flats in its redevelopment projects.
- URA plans to announce early next year the commencement of the redevelopment of Civil Servants' Co-operative Building Society Scheme buildings as a pilot project.
- Invite HKHA to explore the feasibility of redeveloping its factory estates for public housing use.

Box 3.1 (Cont'd)

Subsidies for Low-income Households

- Invite the Community Care Fund to launch in the next financial year two rounds of grants of the one-off living subsidy for low-income households not living in PRH and not receiving Comprehensive Social Security Assistance (CSSA).
- Increase the maximum rates of rent allowance for CSSA households.

(2) Land supply

- Expedite planning work and then invoke the Lands Resumption Ordinance to resume three types of private land for developing public housing and SH :
 - Brownfield sites in the New Territories that may have development potential;
 - Land zoned for high-density housing development in statutory outline zoning plans, but without any development plans yet; and
 - Land located in Chai Kwo Ling Village, Ngau Chi Wan Village and Chuk Yuen United Village.
- Announce a proposed framework for the Land Sharing Pilot Scheme with the target of accepting applications in early 2020.
- Establish a platform for professionals and young people to take part in the development of the Kau Yi Chau Artificial Islands under the Lantau Tomorrow Vision, and to explore how to link up the housing development plans on the artificial islands with the housing needs of Hong Kong people.
- Re-plan the coastal development of Tuen Mun West, including exploring the feasibility of developing the coastal areas which also cover the River Trade Terminal into residential areas.
- Review over 300 “Government, Institution or Community” sites that are earmarked for standalone public facility with a view to developing them under the “single site, multiple use” model, and assist non-governmental organisations to optimise their under-utilised sites.

These measures and plans would demonstrate the Government’s determination to increase the supply of housing land in a persistent manner. They would help different groups meet their home ownership aspirations and ease the housing-related hardships facing many households.