Hostels in the City Scheme <u>Overview</u>

Policy Background

• To consolidate Hong Kong's position as an international hub for post-secondary education, the Chief Executive announced in the 2024 Policy Address that the Development Bureau (DEVB) and the Education Bureau (EDB) would launch a pilot scheme to streamline development control procedures, so as to encourage the market to convert commercial buildings into student hostels, increasing the supply of student accommodation. As such, the Hostels in the City Scheme (the Scheme) was launched on 21 July 2025.

Facilitation Measures

- Our policy objective is to create a clear and easy-to-follow framework with low compliance cost, while putting in sufficient safeguards to ensure quality hostel accommodation and that the implementation of the Scheme is in line with the policy intention.
- Streamlined planning procedures: The Town Planning Board (TPB) has expanded the definition of "Hotel" use under the planning regime to include eligible student hostels under the Scheme.¹ As a result, no planning procedures would be required for converting commercial buildings into student hostels for most commercial sites; or in certain cases, only a planning application is required to obtain planning permission.
- Facilitation measures under the buildings regime²: (a) Plot ratio (PR) relaxation: student hostels converted under the Scheme will be treated as non-domestic buildings for PR and site coverage calculations. (b) Retaining exempted gross floor area (GFA): facilities previously exempted from GFA calculations before conversion can be retained and continue to be exempted from GFA calculations. (c) Conversion for the interest of students: developers/operators may flexibly convert these facilities (e.g. gyms, study rooms, etc.) to better suit the study and daily needs of student tenants (d) Others: Standalone kitchens in individual rooms are not required for eligible student hostels; and exemption from providing open space around buildings may be granted upon application while non-provision of service lane is allowed with reference to actual circumstances.

Eligibility and Application Arrangements

- Eligibility criteria: Interested developers/operators should read the Scheme's Application Guidelines³ before completing the application form. Applications must fulfill eligibility criteria laid down by EDB, including but not limited to:
 - Eligible tenants under the Scheme should be full-time local or non-local students enrolled in locally accredited sub-degree or degree programmes operated by specified institutions, while at most 10% of hostel places may be occupied by persons affiliated with eligible institutions (e.g. wardens, visiting scholars, etc.);
 - Conversion works must be completed within 18 months (EDB may consider granting extension based on actual circumstances);
 - > Partial conversion of a building into student hostel is allowed if specified conditions are fulfilled;
 - Industrial buildings and buildings in industrial zonings are not eligible under the Scheme. However, commercial buildings that have undergone wholesale conversion from industrial buildings on non-industrial zonings would be eligible under the Scheme, provided that the relevant land administration procedures have been completed;
 - Hostel rooms must not be sold off individually; and
 - Developers/operators must take all necessary and reasonable measures to ensure that the operation of the hostel complies with relevant statutory and administrative requirements, while also striving to maintain a safe and suitable living environment for the students.
- **Implementation details**: Interested developers/operators must submit applications to EDB using the prescribed form and sign a statutory declaration that the eligibility criteria under the Scheme will be complied with. During operation, the applicant is required to submit a certified audit report to EDB annually, certifying that the eligibility criteria under the Scheme have been duly complied with during the reporting period. In case of non-compliance, the Government will take appropriate enforcement actions based on the statutory declaration, land lease, and relevant ordinances (if applicable).

Enquiries

- Application materials, including Frequently Asked Questions, etc. are available on the Scheme's dedicated website (<u>https://www.studenthostel.gov.hk</u>).
- The Development Projects Facilitation Office (DPFO) under DEVB will provide facilitation service, including handling enquiries about facilitation measures and application progress, etc.

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Relevant definition is available at TPB's website: <u>https://www.tpb.gov.hk/en/resources/definition/dot_revised_index_ftoo.html#hotel</u>

² See Practice Note PNAP APP-173 issued by the Buildings Department for details of the facilitation measures under the buildings regime.

³ Application Form and Application Guidelines are available on the Scheme's dedicated website: <u>https://www.studenthostel.gov.hk</u>