Hostels in the City Scheme

Application Guidelines

1. Policy Background

1.1 In pursuance of the strategy of consolidating Hong Kong's status as an international hub for postsecondary education, the Chief Executive announced in 2024 Policy Address that the Development Bureau ("DEVB") and the Education Bureau ("EDB") would jointly launch a pilot scheme to streamline development control procedures, so as to encourage the market to convert commercial buildings into student hostels, thereby increasing the supply of student hostel accommodation. In this connection, Hostels in the City Scheme ("the Scheme") is launched in July 2025.

2. Facilitation Measures

<u>Planning regime</u>

- 2.2 Under the Scheme, conversion of eligible student hostels may enjoy the following facilitation measures under the planning regime:
 - 2.2.1 The Town Planning Board ("TPB") expanded the Definition of Terms ("DoTs") under the planning regime for 'Hotel' use to also cover "student hostels supported by Government's policy", which refers to eligible student hostels under the Scheme. As a result, for sites where 'Hotel' is a Column 1 use (i.e. an always permitted use), such as most sites zoned "Commercial", no planning permission from TPB would be required for converting premises thereon into eligible student hostels under the Scheme. For sites where 'Hotel' is a Column 2 use (i.e. a use that may be permitted use with or without conditions on application to TPB), such as most sites zoned "Other Specified Uses (Business)", planning permission under section 16 of the Town Planning Ordinance (Cap. 131) from the TPB would suffice to enable converting premises thereon into eligible student hostels under the Scheme.
 - 2.2.2 The generalisation set out in paragraph 2.2.1 of this Application Guidelines ("AG") is for reference only. The Applicant needs to refer to the Notes of the relevant statutory plans for specific planning control applicable to the site where the proposed student hostel development is located.
 - 2.2.3 While the DoT for 'Hotel' use has been expanded as mentioned in paragraph 2.2.1 above, the Applicant may still opt for taking forward their eligible student hostels under the Scheme as 'Residential Institution' ('RI') instead of 'Hotel' under the planning regime if they so wish. For residential zonings, student hostels operated as 'RI' use will continue to be subject to the control on total/domestic plot ratio ("PR"), where appropriate.

Buildings regime

- 2.3 Under the Scheme, conversion of eligible student hostels may enjoy the following facilitation measures under the buildings regime. For details, please refer to the Practice Note for Authorized Persons, Registered Structural Engineers and Registered Geotechnical Engineers ("PNAP") APP-173 issued by the Buildings Department ("BD"):
 - 2.3.1 Notwithstanding student hostel is domestic use under the Buildings Ordinance (Cap. 123)("BO"), BD will treat an eligible student hostel under the Scheme as a non-domestic

buildings or a non-domestic part of a building for the purpose of PR and site coverage ("SC") calculation under the Building (Planning) Regulations ("B(P)R") and to allow the non-provision of open space and service lane under regulations 25 and 28 of the B(P)R through exemptions made by virtue of section 42(1) of the BO.

- 2.3.2 BD will permit a communal canteen/kitchen/pantry to be provided in lieu of kitchens in the hostel units.
- 2.3.3 BD will allow certain facilities in the existing commercial building which had been disregarded/exempted from gross floor area ("GFA") calculation before conversion can be retained and continue to be disregarded/exempted from GFA calculation after conversion into eligible student hostel. Furthermore, such facilities can be converted into supporting facilities for student hostels (hostel facilities) and continue to be exempted from GFA exemption. The list of hostel facilities eligible for GFA exemption is provided at Appendix of PNAP APP-173.

3. Major Eligibility Criteria

<u>Eligible Buildings</u>

- 3.1 While both wholesale and partial conversion are allowed under the Scheme, the Applicant whose case involves partial conversion must provide indicative floor plans and sectional plans indicating the floor uses of the building(s) involved including the proposed student hostel portion when submitting the completed Application Form ("AF") for initial vetting. The Development Projects Facilitation Office ("DPFO") under DEVB will advise EDB whether the proposed student hostel appear to comply with the following general requirements governing partial conversion and that the case could proceed to subsequent stages including building plan submission to BD:
 - 3.1.1 the student hostel portion is of a certain scale and not scattered across different floors/parts of the same building; and
 - 3.1.2 no eligible student hostel would occupy just part of a storey of a building.

The Government will assess if there are excessively multiple uses co-existing in the building to decide whether the Applicant's proposed partial conversion is eligible under the Scheme. For partial conversion applications, the provisions of facilities to existing users (other than the student hostel) should not be affected.

3.2 Eligible student hostels cannot be converted from industrial buildings nor from buildings within industrial zonings such as "Industrial" zones, etc. However, for avoidance of doubt, commercial buildings that have undergone wholesale conversion from industrial buildings located on non-industrial zonings would be eligible under the Scheme, provided that the relevant land administration procedures have been completed at the time of conversion into commercial buildings.

Eligibility of Applications

- 3.3 Applicants who intend to apply for the Scheme should read the AG carefully before completing the AF. Applicants must fulfil the following eligibility criteria to be considered eligible under the Scheme:
 - 3.3.1 Eligible student hostels should be occupied by full-time local or non-local students (including exchange students) of eligible institutions operating publicly-funded or self-financing locally-accredited post-secondary programmes at the sub-degree (i.e. Associate Degree and Higher Diploma) or degree (including undergraduate, master, and doctorate) levels ("student tenants"). A list of eligible institutions could be found at this dedicated webpage of the Scheme (www.studenthostel.gov.hk).

- 3.3.2 For operational flexibility, subject to the Applicant's discretion, the occupation of hostel places by persons who are not student tenants but are otherwise affiliated with eligible institutions ("other tenants"), such as wardens and visiting scholars, may be allowed. However, the number of "other tenants" should not exceed 10% of the maximum capacity of the relevant hostels at all times.
- 3.3.3 The conversion works should be completed within 18 months from the date of confirmation of the eligibility of the application by EDB. Extension may be granted by EDB, in consultation with DPFO under DEVB and relevant departments, having considered the justifications provided by the Applicant.
- 3.3.4 There should be effective access control in place for the eligible student hostel (i.e. access to the student hostel should be guarded by facial or other biological-feature recognition system, key card or other effective systems). The Applicant is required to set out the proposed access control measures in the AF.
- 3.3.5 No part or parts of the eligible student Hostel (such as rooms and bed spaces) shall be sold off by whatever means individually.
- 3.3.6 All reasonable steps necessary should be taken to ensure the conversion works and subsequent operation of the eligible student hostel is in compliance with applicable statutory and administrative requirements.
- 3.3.7 All reasonable steps necessary should be taken to keep the living environment safe and pleasant for the students.
- 3.3.8 Unless the premises is backed by a hotel licence under the Hotel and Guesthouse Accommodation Ordinance (Cap. 349), the name of the student hostel operation should not contain the word "hotel" in any languages.
- 3.4 The Government reserves the right of final decision on the eligibility of any application under the Scheme, based on considerations including but not limited to any other prevailing Government policies.

4. Application Arrangements

- 4.1 All applications must be submitted using the prescribed AF. EDB reserves the right to refuse to process any applications made not using the prescribed AF or using an altered AF. EDB also reserves the right to refuse to process any applications failing to provide all mandatory information requested in the prescribed AF.
- 4.2 Applications may be submitted by the owner of the premises, the operator of the student hostel, or jointly by the owner of the premises and the operator of the eligible student hostel. If the application is submitted by the operator of the student hostel who is not the owner of the premises, the written consent of the owner of the premises for the operator to join the Scheme and operate the proposed student hostel in accordance with the requirements of the Scheme should be submitted along with the completed AF.
- 4.3 The information provided by the Applicant on the AF should be the same as and consistent with that for the subsequent development approval applications for other Government departments (if required), including but not limited to the particulars of the premises concerned and the parameters and arrangements of the proposed student hostel.
- 4.4 For each building, only applications from at most one Applicant will be considered. In other words, different operators could not operate separate student hostels within the same building.
- 4.5 All applications must be submitted with a statutory declaration as prescribed in the AF which is duly signed by a related person of the Applicant. The signed declaration attached to the AF must be the original copy. A related person means: -

- 4.5.1 for a body corporate, (i) a director of the body corporate, (ii) a company secretary of the body corporate; or (iii) a person concerned in the management of the body corporate;
- 4.5.2 for a partnership, (i) a partner in the partnership; (ii) a per son concerned in the management of the partnership; or (iii) an office holder of the partnership; or
- 4.5.3 for an unincorporated body other than a partnership, (i) a person concerned in the management of the body, or (ii) an office holder in the body.
- 4.6 A completed and signed AF should be submitted by post to the following correspondence address, with the corresponding soft copy (completed but without signature(s)/chop(s)) sent to the following email address:

Correspondence address:

Hostels in the City Scheme

7/F, East Wing, Central Government Offices,

2 Tim Mei Avenue, Tamar, Hong Kong

Email address: studenthostel@edb.gov.hk

- 4.7 The Applicant should certify that all the information given and submissions made in relation to the application are true and accurate to the best of their knowledge and belief. Any inaccurate information and/or a failure to provide the requested information will render the application to be invalid.
- 4.8 EDB will confirm the eligibility of the application under the Scheme against the abovementioned eligibility criteria based on the information provided. If necessary, the Applicant may be requested to provide additional information to assist in the assessment of the application. When all requested information is provided, EDB is expected to inform the Applicant of the result in two to four weeks.
- 4.9 For any change to the information provided in the AF, the Applicant should notify EDB and DPFO by post and/or email as soon as practicable. More time may be needed for re-assessment if these are material changes to the original application.
- 4.10 The Government has full discretion to determine the eligibility of the application for the Scheme in accordance with the AG and any other relevant considerations. EDB reserves the right to revoke any confirmation of eligibility if the information provided in the AF has changed and/or new information concerning eligibility comes to light.
- 4.11 The Government or its authorised users who are engaged to process or handle the Scheme shall have the right to make use of and/or disclose the information in relation to the applications (as well as related information) as necessary for the purposes of processing applications (including future development applications made to the TPB, BD, and the Lands Department), conducting research, arranging publicity for the Scheme, monitoring and evaluation of the projects, and sharing with other parties concerned. The Government shall have the right to compare and match the information (including personal data) provided in the AF with the relevant data collected for other purposes (manually or otherwise) in order to ascertain whether such information is false or inaccurate or misleading. The Applicant shall authorise the Government to verify and match the relevant information with other Government departments, public/private organisations/companies, and further agree for any Government departments and public/private organisations/companies to provide the Government with the Applicants' data in their possession for the purpose of comparing or matching the information in the AF.
- 4.12 EDB's confirmation of eligibility under the Scheme does not guarantee approvals of the subsequent development applications to be submitted and considered by Government departments. It is the responsibility of the Applicant to obtain all necessary approvals, permits, permissions, etc. from the relevant authorities and to comply with all applicable requirements as imposed by Government Departments or under any Ordinances, by laws or regulations that are in force.
- 4.13 The Government may revise the AF and the AG without prior notice. The Applicant should ensure that the application is made with the latest version of the AF available on the dedicated website of

the Scheme. EDB reserves the right to refuse to process any applications not made with the latest version of the AF.

5. Other Arrangements and Requirements

Further Arrangements regarding converted industrial buildings

- 5.1 As stipulated under paragraph 3.2 above, industrial buildings are not eligible under the Scheme for conversion into student hostels. However, for avoidance of doubt, commercial buildings that have undergone wholesale conversion from industrial buildings located on non-industrial zonings would be eligible under the Scheme (i.e. converted industrial buildings), provided that the relevant land administration procedures have been completed at the time of conversion into commercial buildings.
- 5.2 Furthermore, for industrial buildings having undergone wholesale conversion under the Revitalisation Scheme for Industrial Buildings (the Revitalisation Scheme) where further waiver application is needed for conversion into student hostels, we will continue to waive the relevant waiver fee, provided that the relevant conditions under the Revitalisation Scheme are still met.

Conversion Works

- 5.3 The Applicant should ensure that the conversion works of the student hostels under the Scheme are carried out in accordance with the parameters set out in the application forms, the eligibility of which have been confirmed under the Scheme.
- 5.4 Should any parameters differ during the conversion process, the Applicant should inform EDB and DPFO by post and/or email as soon as practicable. EDB reserves the right to revoke the confirmation of the eligibility of the application, having regard any changes to the application and in consultation with DPFO and relevant departments.
- 5.5 To verify that the 18-month development period as specified in paragraph 3.3.3 above is complied with, the Applicant should furnish EDB and DPFO with a copy of the acknowledgement letter for certificate on completion of conversion works or relevant Occupation Permit if appropriate when the conversion works are completed.
- 5.6 If extension of the development period beyond 18 months is required due to any unforeseeable circumstances, the Applicant should submit to EDB by post and/or email an application setting out in detail the relevant justifications at least 2 months prior to the expiry of the original 18-month period. EDB will, in consultation with DPFO and relevant departments, consider this application. Approval may be granted for an extension of up to 6 months each time. Applications for further extension may be submitted in the same manner. If an application for extension is not approved or the application for extension of time is not submitted in a timely manner, the project will no longer be eligible for facilitation under the Scheme upon the expiry of the 18-month period and a fresh application would have to be submitted under the Scheme should the Applicant wish to benefit under the Scheme.

Compliance

5.7 For effective monitoring, the Applicant is required to submit to EDB an annual report ("Annual Report") in accordance with such format as may be required by EDB from time to time. The Annual Report should be submitted by 31 October each year and should cover all of the following matters

from 1 September of the preceding year or the commencement of operation of the student hostel (whichever later) to 31 August of the prevailing year¹, including:

- 5.7.1 detailed statistics on the occupation of the hostel places, including relevant breakdown by the profile of tenants such as institution, level of study, programme, age, gender, etc.;
- 5.7.2 justifications of the exercise of the discretion as mentioned in paragraph 3.3.2 above;
- 5.7.3 certification by an independent certified public accountant (practicing) as defined in section 2 of the Accounting and Financial Reporting Council Ordinance (Cap. 588) that the abovementioned requirements are complied with; and
- 5.7.4 any other relevant information.
- 5.8 It is incumbent upon the Applicant to ensure that the relevant eligibility criteria are complied with effectively. The Applicant must keep proper records on its continuous fulfillment of the eligibility criteria (including the tenants' relevant information such as check-in/check-out days, proof of eligibility of student tenants, etc.), for a minimum period of 7 years after the termination of tenancy of the relevant tenant). The Government's representatives shall be allowed access to such records for inspection, verification, and copying from time to time upon reasonable notice
- 5.9 For compliance verification, the Government shall be authorised to gain access to the student hostel and any assets incidental thereto upon reasonable notice for inspection.
- 5.10 As mentioned in paragraph 4.5 above, the Applicant is required to submit a statutory declaration as prescribed in the AF which is duly signed by a related person of the Applicant to EDB alongside the duly completed AF, declaring that the information provided in the AF is true and correct and all eligibility criteria and relevant requirements have been/will be complied with. According to the Oaths and Declarations Ordinance (Cap. 11), a statutory declaration should be received by a justice of the peace, notary public, or commissioner for oaths.
- 5.11 Without prejudice to the Government's other rights, the premises will no longer be considered as an eligible student hostel and the Government reserves the right to take suitable enforcement actions in accordance with the relevant regulatory regimes and legal actions against the Applicant upon the occurrence of any of the following events or circumstances:
 - 5.11.1 the Applicant fails to perform or comply with any obligation under the statutory declaration which is not capable of being remedied;
 - 5.11.2 the Government sees it fit to terminate the operation of the student hostel in the public interest;
 - 5.11.3 the Applicant fails to submit any Annual Report and any other documents or information in accordance with the statutory declaration or as requested by the Government in writing, or any of the data, facts or information represented to and/or provided by the Applicant to the Government about the student hostel or the application or statutory declaration is incomplete, incorrect, untrue, inaccurate, or misleading; or
 - 5.11.4 the Applicant has engaged in or is engaging in acts or activities that are likely to constitute or cause the occurrence of offences endangering national security or which would otherwise be contrary to the interest of national security.
- 5.12 Once a premises is no longer considered as an eligible student hostel under the Scheme, it will be removed from the list of eligible student hostels under the Scheme to be maintained by EDB and such removal would be publicised so that potential tenants would be duly informed. If a student hostel is removed from the list of eligible student hostels under the Scheme, the site or premises thereon concerned, the Applicant, and the related persons making declarations for the application concerned would be barred from joining the Scheme for 3 years thereafter.
- 5.13 Subject to actual circumstances of the case, possible enforcement actions that may be taken by the Government include but not limited to enforcement against false statements made in a statutory

¹ For illustration, if an Annual Report is due by 31 October 2027, it should cover the period from 1 September 2026 or the commencement of operation of the student hostel (whichever later) to 31 August 2027.

declaration pursuant to section 36 of the Crimes Ordinance (Cap. 200)², and applicable enforcement actions under BO.

<u>Exit Arrangements</u>

- 5.14 In the event that the operation of the student hostel is to be terminated, by the operator of its own accord, the Applicant should give prior notice of at least 12 months to EDB and its tenants. The Applicant should use reasonable endeavours to assist the tenants to identify other accommodation arrangements before termination.
- 5.15 In the event that all the Applicant's interests of the student hostel is to be transferred to a third party, the Applicant should give reasonable prior notice of at least 6 months to the Government and its tenants. The Applicant should also ensure that a separate statutory declaration is submitted by the owner of the premises and/or the operator of student hostel after the aforementioned transfer of interests to the Government at least 1 month prior to the transfer of operation.
- 5.16 In the event that the signatory of the statutory declaration ceases to be a related person of the Applicant, the Applicant shall arrange to submit a separate statutory declaration signed by another related person of the Applicant to the Government within 1 month following the cessation.
- 5.17 In the event that the operator of the Student Hostel is to be changed, the Applicant shall give prior notice of at least six (6) months to the Government and its tenants.
- 5.18 In case the building/premises is no longer operated as a student hostel under the Scheme, the exemptions granted under the BO as mentioned in paragraph 2.3 above will be revoked. The Applicant has to appoint an authorised person to submit for Building Authority's approval any subsequent change in use demonstrating compliance with the provisions under the BO. The Applicant should also ensure that any subsequent change in use is in compliance with the land lease.

6. Enquiries

6.1 Enquiries on application-related matters may be directed to EDB:

<u>Telephone no.:</u> 3509 8533 <u>Email address: studenthostel@edb.gov.hk</u>

6.2 DPFO under DEVB will pass applications with eligibility confirmed by EDB to regulatory departments to ensure timely processing of subsequent development applications (if required). In the course of application, the Applicant may also directly approach DPFO for enquiries on application matters including the application progress.

<u>Telephone no.:</u> 3841 7286 <u>Email address: dpfo@devb.gov.hk</u>

6.3 Information about the Scheme and application documents are also available on the dedicated website of the Scheme:

Website: www.studenthostel.gov.hk

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² According to section 36 of Cap. 200, any person who knowingly and wilfully makes a false statement in a statutory declaration shall be guilty of an offence and shall be liable on conviction upon indictment to imprisonment for 2 years and to a fine.