

Application Notes for Common Area Repair Works Subsidy (Applicable to Owners' Corporation / Owners' Representative)



1. Submission of Application Forms

- 1.1 The applicant (i.e. Owners' Corporation [OC*]) or Owners' representatives of buildings without OC should submit the completed application form for "Integrated Building Maintenance Assistance Scheme- Common Area Repair Works Subsidy" together with the following supporting documents to the designated office of Urban Renewal Authority (URA) by hand or by post:
 - 1.1.1 Copy of agenda and minutes of Owners' Meeting (OM) resolving to apply for "Common Area Repair Works Subsidy" and authorize a representative for signing of the related documents:
 - For building with OC, application for "Common Area Repair Works Subsidy" and authorized representative for signing of the related documents should be resolved in the OM:
 - For building without OC, application for "Common Area Repair Works Subsidy" and at least 2 authorized Owners' representatives (one of them should be owner of subject building) for signing the related documents should be resolved in the OM:
 - 1.1.2 Copy of minutes of OM, resolving to carry out the proposed building repair works item;
 - 1.1.3 Copy of the Occupation Permit of the building;
 - 1.1.4 Copy of the OC Registration Certificate (for building with OC);
 - 1.1.5 "Statutory Notice on Mandatory Building Inspection Scheme" or "Statutory Order" or "Advisory Letter" for the common parts of the building issued by the Buildings Department or other Government Departments (if applicable);
 - 1.1.6 Copy of the Deed of Mutual Covenant (DMC);
 - # For building without OC (except building with single ownership), the URA will consider to accept the application submitted by owners' representatives provided that consensuses are obtained from all owners or provisions in the Deed of Mutual Covenant regarding repair works in building common parts are compiled with. (building with single ownership is not eligible)

- 1.1.7 The search record from the Land Registry of any unit of the building under application;
- 1.1.8 For building without OC and without 100% consensus from all owners attending the OM, written legal advice confirming that the consensus from all owners to join "Common Area Repair Works Subsidy" and that coordination of maintenance works was resolved in accordance with the provisions of the DMC or statutory requirements; and
- 1.1.9 Other information or documents as required by the URA.
- 1.2 At any time, unless with special approval, each OC or DMC (for building without OC) can submit **one application** for "Common Area Repair Works Subsidy" only. If the building had joined the "Operation Building Bright" without certificate of completion issued by the Authorized Person, OC of the building is not eligible to apply for "Common Area Repair Works Subsidy".
- 1.3 Each OC or DMC (for building without OC) will be subject to application for one subsidy of "Integrated Building Maintenance Assistance Scheme- Common Area Repair Works Subsidy" within a period of 5 years.

2. Eligibility Criteria

The building should fulfill all the criteria below:

- 2.1 Residential or composite building (residential and commercial) aged 30 years or above (according to the occupation permit) $^{\text{Note 1}}$;
- 2.2 The average annual ratable value for domestic unit in urban areas (including Shatin, Kwai Tsing, and Tsuen Wan) and the New Territories areas shall not exceed the limit stipulated in item 2(b) of IBMAS "Income & Asset Limit and Ratable Value Limit" table; and
- 2.3 Authorized Person or Qualified professional **should be appointed in open tender** for carrying out condition survey Note 2 and coordination of the maintenance works for the building. Application should be submitted **before the appointment of the Authorized Person or Qualified professional**.
 - Note1: Excluding buildings of : (a) 3 storeys or below or New Territories Exempted Houses; (b)within URA announced redevelopment project area; and (c) under the Tenant Purchase Scheme of the Housing Authority.
 - Note2: If the building had completed comprehensive repair works in the past 5 years and only intends to carry out certain minor repair or improvement works under the supervision of a qualified professional, the OC/Owners' representatives may apply for wavier in conducting condition survey provided that they could submit relevant documentary proof for the completed comprehensive repair works to URA.

3. Arrangement for processing of Applications

3.1 Building safety is always the main concern of the URA. Eligible applications will be classified into following 2 categories.

3.1.1 **Type (1)**

Buildings received statutory repair orders s.26 or s.28 under Buildings Ordinance (Chapter 123); or the buildings under "Mandatory Building Inspection Scheme" with required prescribed repair works identified in the prescribed inspection report. Priority will be given to the applications under this type.

3.1.2 **Type (2)**

Applications other than Type (1).

In view of the imminence of repair needs of the buildings, applications of Type (2) will be periodically assessed and prioritized according to the following criteria:

- average annual ratable value for domestic units;
- building age;
- whether received any advisory letter/ instruction for improvement of building safety and hygiene in common areas;
- application time.
- 3.2 About 250 applications a year will be processed. Priority is first given to the Type (1) buildings, while the balance of the available quota will be assigned to the Type (2) buildings through the scoring system of criteria mentioned at item 3.1.2. The "Assessment Panel" will base on the demand of eligible Type (1) applications to determine the number of Type (2) application in each quarter. Applications fall outside the quota will not be invited for joining the scheme. OC/Owners' representatives, if building condition allows, may apply for the scheme in next quarter or may visit our "Building Rehab Info Net" for self-organizing the maintenance works or other maintenance related information and subsidy schemes.

4. Amount of Subsidy

4.1 "Common Area Repair Works Subsidy"

Amount of subsidy

Eligible and approved application will enjoy the following subsidies:

4.1.1 General repair works subsidy

The total amount of subsidy for each application (whichever is the lower):

- 20 units or below 30% of the approved cost of general

repair works and related consultancy fee,

capped at HK\$150,000

- 21-49 units **20%** of the approved cost of general

repair works and related consultancy fee,

capped at HK\$150,000

- 50 units or more **20%** of the approved cost of general

repair works and related consultancy fee; or not more than HK\$3,000 per unit,

capped at HK\$1,200,000

If the maintenance works include green/environmental friendly works, the building will enjoy the following subsidy:

4.1.2 Green Item Subsidy

The total amount of green item subsidy for each application (whichever is the lower):

- 20 units or below 30% of the approved cost of green item

and related consultancy fee, capped at

HK\$75,000

- 21-49 units **20%** of the approved cost of green item

and related consultancy fee, capped at

HK\$75,000

- 50 units or more **20%** of the approved cost of green item

and related consultancy fee; or not more than HK\$1,500 per unit, capped at

HK\$600,000

4.1.3 The subsidies of item 4.1.1 and 4.1.2 above are only applicable to the works relating to building safety, hygiene or environmental friendly facilities in common areas. All the works should comply with statutory requirements. OC/Owners' representatives (for building without OC) must fully apply the subsidies to the maintenance works. Repetition of the same items of maintenance works which had been completed in the past five years is not eligible for the subsidies unless the areas or facilities relating to such works have become dilapidated or dangerous again. Same repair item will be subsidized for once only.

4.2 "Common Area Repair Works Hardship Grant"

The URA may provide hardship grant to the residential unit owner registered in name of individual with financial difficulties.

If the OC/Owners' representatives (for building without OC) is granted with Approval-in-Principle notification for "Common Area Repair Works Subsidy", and the maintenance works has commenced, residential unit owner registered in name of individual fulfill either one of the following criteria can apply for a maximum of HK\$10,000 common area repair works hardship grant or full cost of the contribution for the common area maintenance works of the building, whichever is the lower.

- Recipient of Old Age Living Allowance; or
- Recipient of Comprehensive Social Security Assistance; or
- Aged 60 or above or disabled, and holder of Medical Fee Waiver Certificate; or
- Aged 60 or above or disabled, and meeting the income and asset limits.

Individual flat owner should submit the "Integrated Building Maintenance Assistance Scheme (For Individual Flat Owner)" application form within the specified timeframe. (Please see Application Notes of Common Area Repair Works Hardship Grant HG1 for details)

5. Scope of works for subsidy

- 5.1 Subsidy should apply to common areas works relating to building safety, hygiene and environmental friendly facilities. All works should comply with statutory requirements, including but not limited to:
 - 5.1.1 Repair of building structure, e.g. repairing loosen, cracked, spalled, or defective concrete;
 - 5.1.2 Repair of external walls & internal common areas of the building, e.g. repairing defective rendering and mosaic tiles;
 - 5.1.3 Repair or replacement of defective windows;
 - 5.1.4 Repair or improvement of fire safety construction, e.g. improvement of means of escapes, means of access for rescue and fire resistance construction;
 - 5.1.5 Provision, improvement or repair of fire services installations and equipment of buildings;
 - 5.1.6 Removal of unauthorized building works and illegal roof top structures;
 - 5.1.7 Improvement of building services and sanitary facilities, e.g. repairing, maintaining and replacing lifts, fire services installations and equipment, electrical installations, gas risers, aerial system, replacing waste pipes, soil pipes, rain water pipes, fresh water pipes, vent pipes and underground drain;
 - 5.1.8 Repair of waterproofing membranes at rooftops and flat roofs and works to alleviate water seepage problem;
 - 5.1.9 Provision, improvement or repair of common water tanks;
 - 5.1.10 Repair or replacement of metal works and carpentry;
 - 5.1.11 Provision, improvement or repair of barrier free access facilities;
 - 5.1.12 Provision, improvement or repair of security systems, e.g. CCTV system or metal gate at main entrance;
 - 5.1.13 Maintenance works for slopes or retaining walls;
 - 5.1.14 Application of environmental material on repair works or installation of green/environmental friendly works or facilities
 - 5.1.15 Works relating to the above items, including scaffolding, investigation and professional services; and
 - 5.1.16 Any incidental or consequential works relating to items 5.1.1 to 5.1.15 of the above, e.g. touch-up and finishing works arising from repair or remedial works.

6. Vetting procedures and requirements

- 6.1 Approval-in-Principle (AIP) notification will be issued by the URA to the eligible OC or Owners' representatives (i.e. applicant). The applicant should appoint Authorized Person or Qualified Professional (consultant) within 6 months from the date of the issuance of AIP, and appoint registered contractors and commence repair works within 9 months from the appointment of consultant.
- 6.2 According to the scope of works and to comply with the Building Management Ordinance, applicant should appoint Authorized Person or qualified professional (i.e. registered architect, engineer or surveyor, etc.) for the co-ordination, design, tendering, site supervision and testing, etc. The works should be carried out by the registered contractor.
- 6.3 For application for Type (1), applicant should include the repair works item in the works contract as required under s.26 or s.28 of Buildings Ordinance (Chapter 123), or the repair works items listed in the prescribed inspection report of the Mandatory Building Inspection Scheme.
- 6.4 Applicants should submit all necessary documents at different stages and timeframe as stipulated in AIP to URA or the independent professional consultant appointed by URA, for assessment of market prices for the repair items to be carried out. The URA has absolute discretion in determining the amount of subsidy based on the current market price assessed by the independent professional consultant.
- 6.5 The URA reserves the right to amend the above contents at any time without prior notification. Please refer to Building Rehab Info Net (www.buildingrehab.org.hk) for the latest version; or contact Integrated Building Maintenance Assistance Schemes Hotline at 3188 1188; or visit URA offices.
- 6.6 This application note does not construe as a commitment by the URA to the applicant. The terms and conditions of the scheme stipulated in the URA's approval document shall prevail.
- 6.7 The URA reserves the right to reject the application at any time without disclosure of reasons and shall not be liable to anyone.

7. Release of subsidy

- 7.1 Upon the completion of works and the issuance of the Certificate of Practical Completion, applicant should submit copies of the practical completion certificate, the latest interim payment certificate, and all required documents, together with the claim form to the designated office of URA by hand or by post.
- 7.2 Upon receipt of the claim form, the URA will only grant the subsidy subject to verification of all the expenses are within the ambit of the scheme. To ensure no double subsidy is granted to the applicant for the repair works, URA will withdraw the grant of the same repair item which has been successfully granted with subsidy under other funding or funding schemes. The URA shall have the absolute discretion in assessment of the amount of subsidy and determine whether the expenses are covered by the scheme.