THE HONG KONG HOUSING AUTHORITY

Memorandum for the Building Committee

Design for Conversion of Surplus 3-Bedroom Flats to Small Flats in Standard Harmony Blocks

PURPOSE

This paper is to seek Members’ endorsement to the design proposals for the conversion of surplus 3-Bedroom rental flats in Harmony 1, Harmony 3 and New Harmony 1 blocks into small self-contained units.

BACKGROUND

2. To satisfy the housing demand generated from non-elderly 1P households and to reduce their average waiting time to 3 years by 2005, there is a need to make up an additional supply of 6,000 small flats by 2005/06.

3. Strategic Planning Committee (SPC) by way of Paper No. SPC 37/99 on 22 September 1999 endorsed the proposal of converting some 1,600 surplus 3-Bedroom flats in the on-going contracts to increase the small flat supply.

4. As a parallel measure, the use of small household blocks, New Harmony Annex blocks or other appropriate New Harmony block options and a review of production and flat mix would also be explored by the Department to achieve the target.

CONVERSION PROPOSALS

5. Proposed designs for the conversion of 3-Bedroom flats are as follows. Layouts are shown at Annex –
(a) **Scheme 1**

3-Bedroom flat at end bay of Harmony 1 to be converted to 1 no. 1P/2P flat and 1 no. 2P/3P flat.

For Harmony Blocks under construction, this will involve some coring to the existing structure for services pipe openings and some alterations to the precast façade. Increase in water tank size is needed which can be accommodated by the existing structure.

(b) **Scheme 2**

3-Bedroom flat at central core of Harmony 1 to be converted to 1 no. 1B flat and 1 no. 1P/2P flat.

This is a standard Harmony 1 layout. For Harmony Blocks under construction, this will involve some coring to the existing structure for services pipe openings. Increase in water tank size is not required.

(c) **Scheme 3**

3-Bedroom flat at central corridor of Harmony 3 to be converted to 1 no. 1B flat and 1 no. 1P/2P flat.

This is a standard Harmony 1 layout. Only one Harmony 3 project, which is soon to commence, adopts this scheme.

(d) **Scheme 4**

3-Bedroom flat at central core of New Harmony 1 to be converted to 3 no. 1P/2P flats.

This will apply only to new contracts from early 2000. The conversion will have no impact upon the loading for piling purposes.
IMPLEMENTATION

6. A preliminary checking of the Harmony projects under planning and construction reveals that the conversion of some 1,600 surplus 3-Bedroom flats in the Harmony blocks will provide an additional supply of some 2,400 small flats including 2,100 1P/2P flats, plus 1,000 additional 1-Bedroom flats.

7. There are however some planning, technical and contractual (time and cost) issues to be resolved in the Harmony projects identified for conversion. These issues are being looked into by the Department and the implementation of the conversion in Harmony projects will be reported separately.

COST IMPLICATIONS

8. The indicative additional costs per block estimated at June 99 price level for the conversion of 3-Bedroom flats excluding the prolongation costs are as follows –

<table>
<thead>
<tr>
<th>Standard Harmony Blocks</th>
<th>No. of 3B Flats to be Converted per Block (A)</th>
<th>Positions of 3B Flats</th>
<th>Cost per 1P/2P Flat Converted ($)</th>
<th>Cost per 2P/3P Flat Converted ($)</th>
<th>Cost per 1B Flat Converted ($)</th>
<th>Conversion Cost per 3B Flat (B) ($)</th>
<th>Conversion Cost per Block (A) x (B) ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1/Opt.5</td>
<td>160 end-bay</td>
<td>Standard Harmony</td>
<td>231,846</td>
<td>247,174</td>
<td>100,000</td>
<td>16,000,000</td>
<td></td>
</tr>
<tr>
<td>H1/Opt.7</td>
<td>160 end-bay</td>
<td>H1/Opt.5</td>
<td>231,846</td>
<td>247,174</td>
<td>100,000</td>
<td>16,000,000</td>
<td></td>
</tr>
<tr>
<td>H1/Opt.7</td>
<td>159 centre core</td>
<td>H1/Opt.7</td>
<td>162,674</td>
<td>342,526</td>
<td>100,000</td>
<td>15,900,000</td>
<td></td>
</tr>
<tr>
<td>H1/Opt.9</td>
<td>159 centre core</td>
<td>H1/Opt.9</td>
<td>162,674</td>
<td>342,526</td>
<td>100,000</td>
<td>15,900,000</td>
<td></td>
</tr>
<tr>
<td>H1/Opt.10</td>
<td>80 centre core</td>
<td>H1/Opt.10</td>
<td>164,284</td>
<td>345,916</td>
<td>105,000</td>
<td>8,400,000</td>
<td></td>
</tr>
<tr>
<td>H3A/Opt.1</td>
<td>30 centre of corridor</td>
<td>H3A/Opt.1</td>
<td>164,408</td>
<td>330,796</td>
<td>73,333</td>
<td>2,200,000</td>
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</tr>
<tr>
<td>NH1/Opt.1</td>
<td>40 central core</td>
<td>NH1/Opt.1</td>
<td>186,065</td>
<td>137,725</td>
<td>5,509,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NH1/Opt.3</td>
<td>15 central core</td>
<td>NH1/Opt.3</td>
<td>188,846</td>
<td></td>
<td>146,067</td>
<td>2,191,000</td>
<td></td>
</tr>
</tbody>
</table>

9. These are indicative costs for conversion, including the abortive works for projects under construction. The cost estimates of the prolongation costs are to be assessed on a project basis.
FUNDING IMPLICATIONS

10. The capital cost of the proposed conversion of some 1,600 3-Bedroom flats into self-contained small flats will be around $240 million over a period of four years. Adjustments to the budgets will be required for projects implementing the conversion and a separate paper will be submitted to seek approval to increase the Approved Project Budgets.

RECOMMENDATION

11. Members are recommended –

(a) To approve the conversion proposals as described at paragraph 5 and as shown at Annex;

(b) To note the cost implications of conversion at paragraphs 8 and 9; and

(c) To note the funding implications at paragraph 10.

DISCUSSION

12. In the meeting of the Building Committee on 21 October 1999, Members will be invited to endorse the recommendation under paragraph 11.