

An aerial photograph of a dense, multi-story tenement building in Hong Kong. The building is characterized by its intricate facade, numerous windows, and balconies. The top half of the image is a mirror image of the bottom half, creating a symmetrical, almost surreal effect. The sky is a vibrant blue with scattered white clouds. The overall scene conveys a sense of urban density and architectural complexity.

STAY & BUILD

HONG KONG

November & December 2021



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Executive Summary (1/4)

The challenges facing Hong Kong are complex, numerous and often appear intractable. Upward social mobility has slowed significantly compared to 25 years ago. Over 60% of its people suffer from poor mental wellbeing. Recent unrest has revealed deep dissatisfaction and distrust in institutions which have served Hong Kong well for decades.

These problems are compounded by saddening reports of Hong Kong youth wishing to leave the city. According to polls, 60% of youth wish to leave, and a quarter of university-educated young professionals under 35 plan to pursue work elsewhere.

GIFT's inaugural Stay & Build Initiative was designed for those unwilling to accept that these challenges are insurmountable, and who are eager to participate in building a better future. The solutions to Hong Kong's challenges must come from the next generation of leaders in Hong Kong. The aim was to empower them to gain a deeper understanding of a range of societal challenges through four pilot projects and develop a sense of purpose through developing practical solutions that can be implemented by the Project Partners.

The four pilot projects and their respective partners are:

- **Breaking ground for community sports and wellness hubs** (Hong Kong Rugby Union & Hong Kong Federation of Youth Groups)
- **Prioritising local food production for health & sustainability** (Farmacy & Land Education Foundation)
- **Expanding caregiving for dignified ageing in place** (Hong Kong Housing Society)
- **Creation of public open spaces for enhanced liveability** (Chinachem Group)

The following pages summarise the participants' key ideas. More details can be found in each section of this report.



Executive Summary (2/4)

Summary of pilot project ideas

Sports & Wellness Hubs



1. Expanding Access to Sports Facilities

Addressing the mismatch of available sports facilities with the demand through cooperation between institutions that have the space and facilities, such as schools, and organisations with the expertise to engage the community in sports, such as Sports Associations.

2. Co-working Wellness Hubs

Identifying underutilised spaces for use during the day as co-working spaces and evening as sports and wellness hubs.

3. Revitalisation of Unused Buildings and Spaces for Sports

To identify usable vacant buildings or spaces for rejuvenation and replanning as a sports destination, to bring about mutual benefits in raising the property's value through enhanced commercial activities, as well as increasing access to sports and recreational spaces.

Project Partners



Executive Summary (3/4)

Local Food Production



1. Hong Kong Agricultural Hub

Creating an Agricultural Hub at the new Agricultural Park to coordinate all policies related to the local agriculture and food sector and provide support in training, marketing, education, external promotion, and R&D.

2. Expanding scope of Green@Community

Expanding scope of Green@Community stores beyond recycling to include selling of local produce to further promote green lifestyles in Hong Kong.

3. Using brownfield sites for modular hydroponic farms

Piloting a hydroponic farm using Modular-integrated Construction to better utilise brownfield sites and increase supply of safe, fresh, local produce.

Project Partners

FARMACY



Project Partner



Ageing in Place



1. Time Bank

Encouraging positive community engagement through a Time Bank system where volunteers exchange good neighbourly services for credits. Credits can be exchanged for discounts on voluntary health insurance, transport rides, etc.

2. Improving physical environment of housing estates

Creating new walking trails, multipurpose rooms, and community gardens to support ageing-in-place and create spaces where activities on the Time Bank can be held.

3. Scaling caregiving services

Through a new Health Hub run by Hong Kong Housing Society that provides caregiving services and training.

Executive Summary (4/4)

Public Open Space



1. Public Open Space (POS)
Commission to oversee the rapid development of 100 POS in 5 years

Commission comprising of relevant government departments, property developers, and community groups focused on revitalising existing and developing new POS, with an expedited approval and construction process to achieve the target.

2. A public POS Competition to engage the public in the provision of quality POS

To integrate public participation into the POS design process to improve utility and reinvigorate the local design sector.

Project Partner



CHINACHEM GROUP
華懋集團

Participants on the Stay & Build were divided into four teams, each working on pilot project ideas in their respective teams for the Project Partners and other relevant stakeholders over the course of two weeks.

Due to the limited duration of the programme, the diverse briefs, experience and background of the participants, and complexity of the issues, project recommendations within each section differ in framing and depth of detail.

While the ideas were proposed with the Partners in mind, they should serve as a reference for any stakeholder who is interested to take on the partnership role in these initiatives. Please get in touch if you wish to get involved.



Introduction & Background

GIFT Stay & Build Programme



The **Global Institute For Tomorrow** is an independent pan-Asian think tank committed to purposeful leadership learning and partnering with clients to help them unlearn conventional wisdom and unleash potential to redesign society. GIFT's methodology invites participants to build greater self-awareness and test personal resilience whilst creating robust new business models linked to contemporary challenges and opportunities.

Based on GIFT's renowned experiential Global Leaders Programme and Young Leaders Programme, the inaugural Stay & Build Programme is a platform designed to bring together professionals across sectors (government, business and civil society) to develop pilot solutions with partners that address pressing social issues, from the lack of quality public open space to facilitating ageing in place.

Participating Organisations & Sponsors

Thirty-two participants from government, business, civil society and academia joined the Stay & Build Programme over the course of November and December 2021.

The programme would not have been possible without the generosity of our sponsors. We would like to extend our heartfelt gratitude to these generous organisations and individuals that have supported the growth and development of Hong Kong's young professionals.



Sponsors



Mr. Bernard Chan

Mr. Robert Dorfman

Mr. Sidney Cheng

River Star Foundation

Partner Organisations

Projects on the Stay & Build were made possible through the generous support of the Project Partners, who provided guidance on the brief, introductions to stakeholders, interviews and site visits with participants, and feedback on the project outcomes on the final day of the programme.

GIFT would like to offer our most sincere thanks to our Project Partners below.

Sports & Wellness Hubs



Founded in 1952, The Hong Kong Rugby Union (HKRU) is the governing body for rugby unions in Hong Kong. With its official affiliation with World Rugby established in 1988, the union has continued to organise events such as the Cathay Pacific/HSBC Hong Kong Sevens as well as domestic and national leagues across all age groups and genders, aiming to make “Hong Kong Rugby a Game for All”.



The Hong Kong Federation of Youth Groups (HKFYG) is a non-profit organisation dedicated to the enhancement of youth development. With an extensive network of over 80 service units and a programme attendance of 6 million each year, HKFYG is considered Hong Kong’s largest youth service organisation.

Local Food Production



Farmacy Hong Kong Limited is an urban farming technology startup rooted in the mission of “Enabling Ecological Farming of Safe and Fresh Produce Right in the Heart of the City”. Since the company’s establishment in 2018, Farmacy has been actively providing sustainable solutions towards the mitigation of global ecological trauma and rapid urbanisation through the implementation of decentralised Smart Mobile Farms.



Land Education Foundation Limited (LEF) is a non-profit organisation rooted in enhancing the circular economy and promoting community support agriculture through urban and rural symbiosis. The organisation has three core missions of protecting natural ecosystems and cultural heritage; improving the living of the poor and the marginalised; educating the public on the importance of protecting the natural environment while preserving cultural heritage.

Partner Organisations

Ageing in Place



**HONG KONG
HOUSING SOCIETY**
香港房屋協會

Established in 1948, The Hong Kong Housing Society (HKHS) is an NGO which has long been committed to “Creating Homes and Reviving Communities”. They have assisted with the provision of rental units, redevelopment of old urban buildings, supported residents to achieve home-ownership, and recently worked to pioneer elderly housing. As of 2020, the Society has provided accommodations to 130,000 residents through the implementation of various housing schemes, making them the second largest public housing provider in Hong Kong.

Public Open Space



CHINACHEM GROUP
華懋集團

Initially established in 1974 as a small chemical and agricultural project enterprise, Chinachem Group has evolved into one of Hong Kong’s largest property developers. With a diversified portfolio ranging from property development, investment, and management in hospitality, entertainment, food and beverage, Chinachem is intent on optimising the quality of life in Hong Kong with an emphasis on sustainability. This is outlined in the adoption of their triple bottom line principles: the commitment to bringing positive impacts to People, Prosperity, and the Planet.

Supporting Organisations

GIFT would like to thank the following organisations for their support in hosting site visits and partaking in interviews for the Stay & Build Programme:



Programme Structure



Objectives

- To propose pilot plans for Stay & Build's Project Partners and relevant stakeholders, and provide solutions to address Hong Kong's various challenges, enabling liveability and future resilience for the city.
- Four key focus areas were identified for the projects:
 1. Breaking Ground for Community Sports & Wellness Hubs,
 2. Prioritising Local Food Production for Health & Sustainability,
 3. Expanding Caregiving for Dignified Ageing in Place, and
 4. Co-designing Public Open Space for Enhanced Liveability.

Process

- Participants met a diverse range of stakeholders, including businesses, government officials, entrepreneurs, community and civil society groups to better understand the challenges faced in the pilot project focus areas.
- Participants also independently reached out to experts in the field to gain greater insights into the four pilot project areas.
- Through intensive discussion, debate and planning sessions, the participants generated the contents of this report.

Outcome

- With GIFT's support, participants developed the pilot plans and proposals as outlined in this report.
- Participants presented their pilot plans at a presentation to Project Partners and a diverse group of stakeholders on 3 December 2021.
- Their submissions were then refined by GIFT to produce this final report.



Breaking Ground for Community Sports and Wellness Hubs



Introduction

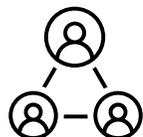
The benefits of sports and physical activity in contributing to improved mental and physical wellbeing are well known. Despite this, the level of Hong Kong's sports participation remains relatively low in comparison with neighbouring countries. Data shows that participation in community sports is not a priority for Hong Kong citizens, in particular women and the tertiary-educated working population. Primary school children also spend less time on daily physical activity than the World Health Organization (WHO) recommends, partly due to a culture of prioritising academic success over sports or athletic achievement.

Furthermore, collaboration on the usage of sports grounds and facilities between community (NGOs, sports associations, school groups, etc.) and the commercial sector is limited, resulting in a mismatch of resources. Many sports grounds and facilities are difficult to access due to location or limited time slots. Those that belong to a lower priority group such as community sports teams or NGOs do not enjoy the same treatment as those in higher priority groups such as National Sports Association (NSA) teams. On the other hand, some underutilised spaces have the potential for sporting purposes but are inaccessible to the community.

Although Hong Kong's sporting culture is not as strong as neighbouring cities in Asia, the 2020 Olympics in Japan saw a wave of increased community interest in the sports of the Hong Kong champions. Meanwhile, the development of the Northern Metropolis, Lantau Tomorrow and the gradual integration into the Greater Bay Area in the coming decades present an opportunity for the Government and private developers to provide more spaces where children and adults can engage in sports. Finally, enhanced synergy and matching of resources between providers and users would help address the above issues and create a thriving sporting economy.

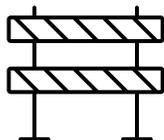
CURRENT CHALLENGES

Resource misallocation



- Allocation of sports facilities is uncoordinated and unbalanced.
- Open sports spaces / sports grounds are over utilised during peak hours or only available to Tier A groups such as NSAs, leaving community sports groups without access to facilities.
- School sports grounds are underutilised. There is low participation in the Opening Up School Facilities for Promotion of Sports Development Scheme ('OSS').
- There are many underutilised indoor spaces that can be used for sports and wellness activities.
- All available spaces are underutilised during off-peak hours.

Social barriers



- In comparison with NSA teams, Tier A and B sports* and community groups have limited access to sports facilities.
- COVID-19 social distancing restrictions limit the usage of sports facilities and discourages community participation.

*Tier A and B refers to the Hong Kong Sports Institute's classification of a sport which concurs with the level of support and funding provided by the Government.

POINTS OF CONSIDERATION

- According to Civic Exchange, Hong Kong does not lack sports facilities. With the exception of rural areas, most Hong Kong citizens have access to a sports facility within 400m. Nevertheless, there is an increasing demand for more indoor and outdoor multi-purpose active spaces for community use.
- Research exists demonstrating the correlation between sports participation and academic achievement as well as improved mental health. If leveraged, this can encourage increased participation among community members, parents and schools, and help address the city's mental health challenges.
- Organisations with underutilised facilities are looking to increase membership and participation, particularly during off-peak hours.
- Portals that list available resources and facilities already exist, but further targeted marketing and collaboration are needed to help increase accessibility.

Proposed measures

From discussions with stakeholders, it was evident that the efficient usage of facilities during off-peak hours remained a challenge. In order to maximise the utilisation of facilities, the proposal aims to make facilities more accessible to the community and increase the number of quality sports and wellness spaces, which in turn, will create more opportunities for participation in sports.

The proposal includes the following 3 strategies and their respective pilot projects.



1 Expanding Access to Sports Facilities

- Addressing the mismatch of available sports facilities with the demand through cooperation between institutions that have the space and facilities, such as schools, and institutions with the expertise to engage the community in sports, such as Sports Associations.

2 Co-working Wellness Hubs

- Identifying underutilised spaces for use during the day as co-working spaces and evening as sports and wellness hubs.

3 Revitalisation of Unused Buildings and Spaces for Sports

- To identify usable vacant buildings or spaces for rejuvenation and replanning as a sports destination, to bring about mutual benefits in raising the property's value as well as increasing access to sports and recreational spaces and commercial activities.

Strategy 1: Expanding Access to Sports Facilities

Rationale

During the Stay & Build Programme, participants conducted site visits to Hong Kong Rugby Union's (HKRU) Tin Shui Wai rugby pitch and Tun Yu School.

Both institutions stated that there was a mismatch between the demand for facilities during peak hours, e.g. after school and at lunch times, and the number of available sports spaces. They also noted that during off-peak hours, e.g. general office business hours, the facilities were largely vacant. Both spoke of their desire to fully utilise their facility's capacities to their full potential.

Tun Yu School and HKRU made it clear that they were willing to open their facilities to the general public. In particular, HKRU spoke about the opportunities this would offer participants of the Train the Trainer Program, a course which specialises in providing opportunities for trainers to gain teaching experience.

Strategy 1 proposes an expansion of the Opening Up School Facilities for Promotion of Sports Development Scheme ('OSS') to include more school grounds, at the same time encouraging participation in sports, providing revenue to the schools and offering training opportunities to individuals.

The proposal for Strategy 1 outlines 2 pilot projects:

- Pilot Project A: OSS 2.0 – Tun Yu School x HKRU
- Pilot Project B: OSS 2.1 - Open Sports Space of HKRU

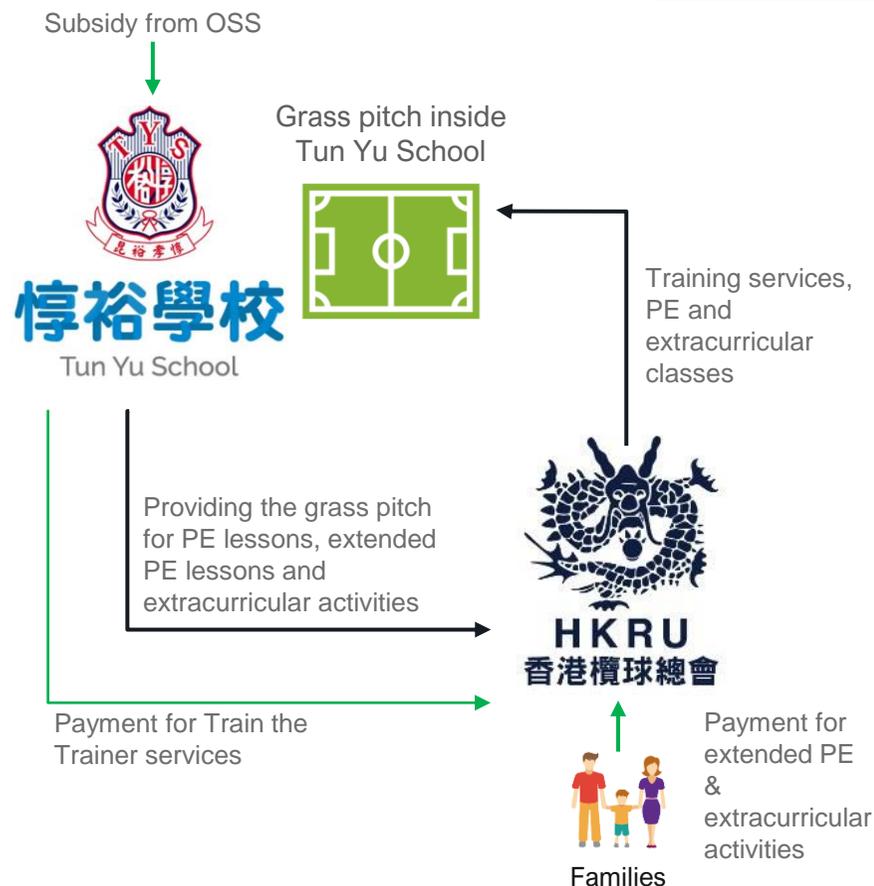


Strategy 1: Expanding Access to Sports Facilities – Revenue Model

Pilot Project A: Expanding Access to Tun Yu School's Grass Pitch

The pilot will run for **one year** and serves as a demonstration to showcase the benefits to schools, NSAs and NGOs and whether or not it is feasible for scaling. All figures stated are estimates for one year in HKD.

- It is assumed that Tun Yu School will open up its grass pitch to at least four sports programs, which will qualify them to receive **\$90,000** from the OSS.
- By permitting HKRU, local sports associations and other schools in the area to utilise the grass pitch for PE lessons and extracurricular activities during term time and holiday periods, Tun Yu School stands to earn **\$80,500** in revenue if rental fees are set at \$500/session.
- Costs will include hiring additional staff to maintain the grass pitch (\$60,000), security (\$54,000), and additional insurance costs (\$20,000), totalling **\$134,000**.
- HKRU will provide trainers to facilitate PE lessons, extended PE lessons and extracurricular activities which can provide new channels to reach students and individuals who might be interested in rugby. An additional benefit includes providing training opportunities to the Train the Trainer Program, which could generate a revenue of approximately **\$6,000**, paid by Tun Yu School to HKRU.
- Assuming that the benefits of sports and physical activities are well promoted to families and the community, there will be a demand for extended PE lessons and extracurricular activities which will generate an additional revenue of **\$400,000**, paid by participating schools and individuals.
- HKRU will incur costs through paying rent for the use of the grass pitch, hiring more staff to provide training services as well as additional insurance costs, which is estimated to be **\$100,000**.



	Tun Yu School	HKRU
Revenue	\$170,500	\$406,000
Cost	\$134,000	\$100,000
Profit	\$36,500	\$306,000

Strategy 1: Expanding Access to Sports Facilities – Revenue Model

Pilot Project B: Expanding Access to HKRU's Tin Shui Wai Rugby Pitch

The pilot will run for **one year** and serves as a demonstration to showcase the benefits to schools, NSAs and NGOs and its feasibility for scaling. All figures stated are estimates for one year in HKD.

- By opening up the HKRU's Tin Shui Wai Community Sports Ground (TSWCSG), HKRU can provide affordable sports facilities for rental during off peak hours.
- HKRU has stated that they are willing to promote rugby and sport for schools, sports associations and NGOs around TSW by providing free sports equipment, sports kits and competition prizes for youth.
- Extracurricular activities undertaken at the sports ground will generate revenue for HKRU to cover the costs of security and maintenance of the pitch, which will cost **\$13,500**. Assuming:
 - 3-5 schools in the area participate and book three 90-minute slots per day, available at 1:30-3:00 pm, 3:00-4:30 pm, 4:30-6 pm. These will generate a revenue of **\$13,500**, with a commitment by HKRU that bookings will be priced at cost to allow as many people as possible to benefit.
- As the TSWCSG has been granted to HKRU on a non-profit lease, the **Net Zero** outcome will not contravene HKRU's lease agreement.
- The activities at the TSWCSG will help (1) raise the visibility of rugby in the area, (2) encourage people of different age groups to join in and be introduced to rugby, and (3) help to increase public recognition of the value of the TSWCSG.



Strategy 1: Expanding Access to Sports Facilities – *Benefits*

Pilot Project A: Expanding Access to Tun Yu School's Grass Pitch

Results

- The creation of 4 Sports Programmes, qualifying Tun Yu School to receive \$90,000 p.a. from the OSS.
- Total net income for Tun Yu School: \$36,500 p.a.
- A total of 304 students to participate in the sports programmes and extracurricular activities which will generate a total net income of \$306,000 p.a. for HKRU.
- Through the Train the Trainer Program, HKRU will provide trainers to the sports programmes. Assuming that they provide 10 trainers, HKRU will receive a net income of \$6,000 p.a.

Impact

- The community gains access to quality sports facilities and schools are able to maximise the utility and capacity of their sports facilities.
- NSAs and/or NGOs are better able to sustain their operations through alternative sources of revenue.

Pilot Project B: Expanding Access to HKRU's Tin Shui Wai Rugby Pitch

Results

- The creation of 3 Sports Programmes, which aims to attract 3-5 participating schools, allowing 120 students to join in extracurricular activities.
- 2 to 4 extracurricular slots available per day, increasing the opportunity for the community to participate in sports.
- HKRU to provide prizes, sports equipment and kits for youth in the community at no cost to the schools.

Impact

- Local youth gain access to high quality facilities for sports activities.
- Enables better utilisation of sports facilities during off-peak hours.
- The promotion of local community teams within the local area.
- Enhancing the value of the sports facility for the local community.



Strategy 2: Co-working Wellness Hubs

Rationale

- Repurposing underutilised indoor spaces suitable for popular sports and physical activities into indoor sports and wellness hubs.
- Address the community need for sports spaces during non-office hours.
- Financially sustainable business model replicable for civil society and private sectors.

Pilot project: Hong Kong Federation of Youth Groups (HKFYG) HQ Co-working Wellness Hub



Hong Kong Federation of Youth Groups ('HKFYG') to convert multipurpose floors at their Quarry Bay headquarter into indoor sports facilities during the 6-9pm time slot using a co-working space revenue model and targeting NGOs and community groups.



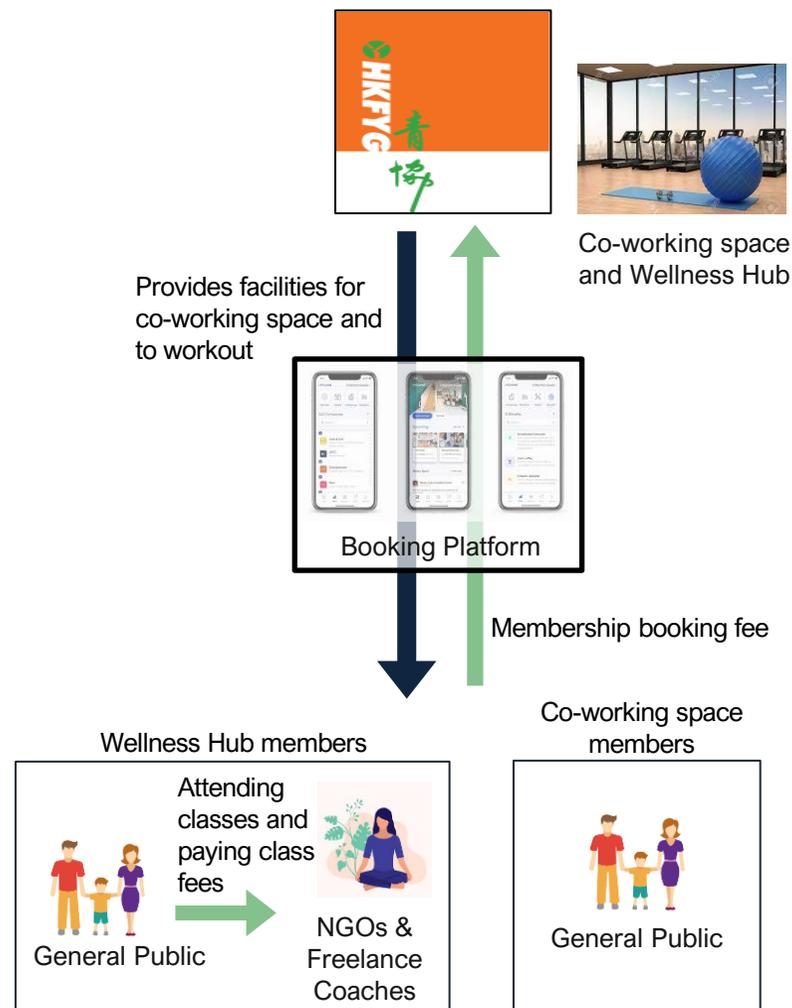
Strategy 2: Co-working Wellness Hubs – Revenue Model

The pilot will run for **one year** and serves as a demonstration to showcase the benefits to other NGOs, private companies or any other organisation that may have similar underutilised spaces. All figures stated are estimates for one year in HKD.

1. Through the creation of a booking platform, HKFYG can maximise the potential of the underutilised floors within its building.
2. Start-up costs including purchase of new equipment, extra security and maintenance costs and the development of the booking platform, totalling **\$78,520**.
3. The spaces will be offered to the community as co-working spaces and wellness facilities to enhance utilisation and generate income for HKFYG.
4. Potential revenue* is projected to be **\$157,200 per year** based on the rental usage of 2 floors:
 - i. Multifunction Hall I rental – estimated 40 sessions at \$1,050 per session, yielding \$42,000 p.a.
 - ii. Meeting Rooms rental – estimated 288 sessions over the course of one year at \$400 per session would yield \$115,200 p.a.
5. Through the booking platform, NGOs and freelance coaches may reserve a space in the Wellness Hub and arrange classes with the local community and nearby residents.
6. A membership fee may be charged to people who want to book the co-working space which will further help to supplement revenue earned by HKFYG.

*The financial model only accounts for the revenue of the Wellness Hub.

	HKFYG
Revenue	\$157,200
Cost	\$78,520
Profit	\$78,680



Strategy 2: Co-working Wellness Hubs – *Results and Impact*

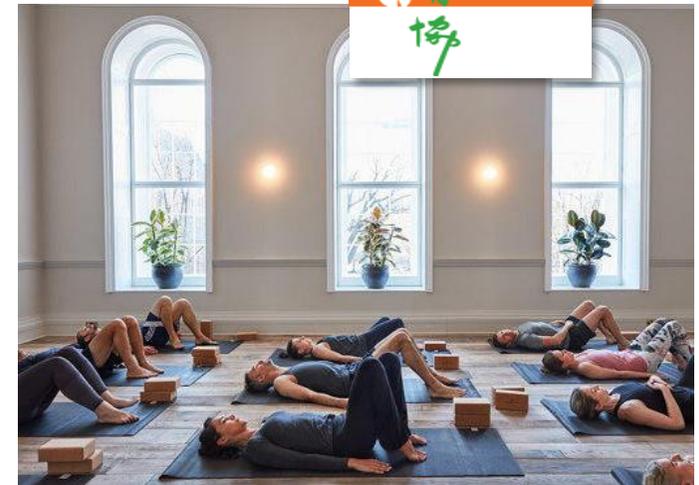
Results

- Conversion of two floors in the HKFYG headquarters into community indoor sports venues and co-working spaces.
- Through the digital booking platform, the establishment of an on-demand membership base.
- Enhance the HKFYG's Space 21* directory to offer discounts to members and for ease of reference to available alternatives when the HKFYG headquarters is fully occupied.
- Provide more teaching opportunities for Train the Trainer Programs.

*Space 21 is HKFYG's online platform that provides information about available community spaces and allows bookings.

Impact

- Youth and wider community groups in the locale gain access to more quality sports facilities.
- Creates a platform for collaboration between the public and private sector to improve allocation of resources, facilities and community services.
- HKFYG can employ and support more coaches and trainers to better serve the local community.



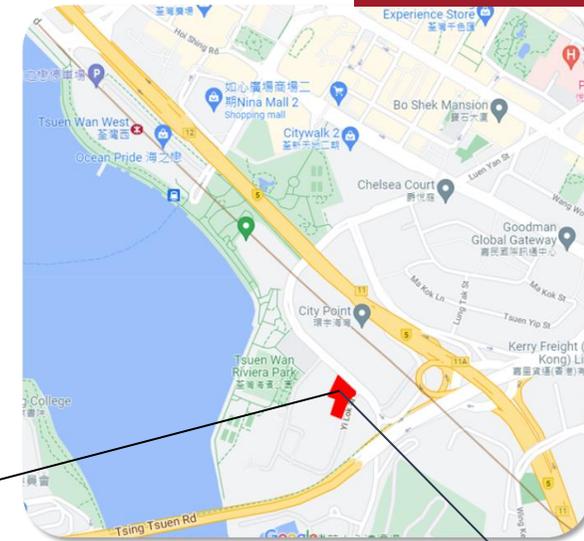
Strategy 3: Revitalisation of Unused Buildings & Spaces

Rationale

- There is an opportunity to revitalise unused buildings and spaces to combine commercial use with sports and community services.
- The rejuvenated properties would attract additional footfall increasing the income generated for landlords and businesses, while providing people from the surrounding community with greater access to sports facilities and associated services.
- Stakeholders of the revitalised building would benefit in the following ways:
 - The building owner – additional footfall would increase the value of the property and rents
 - The building tenants – increase in revenue through higher footfall; and
 - The surrounding community – job creation and access to sports facilities and community services.

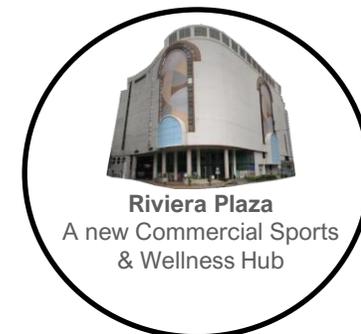
Pilot project: **Chinachem Group x Riviera Plaza Tsuen Wan Sports Destination Redevelopment**

- A 2-year development project aimed at optimising the usage of existing and vacant buildings for conversion into a sports and shopping destination.



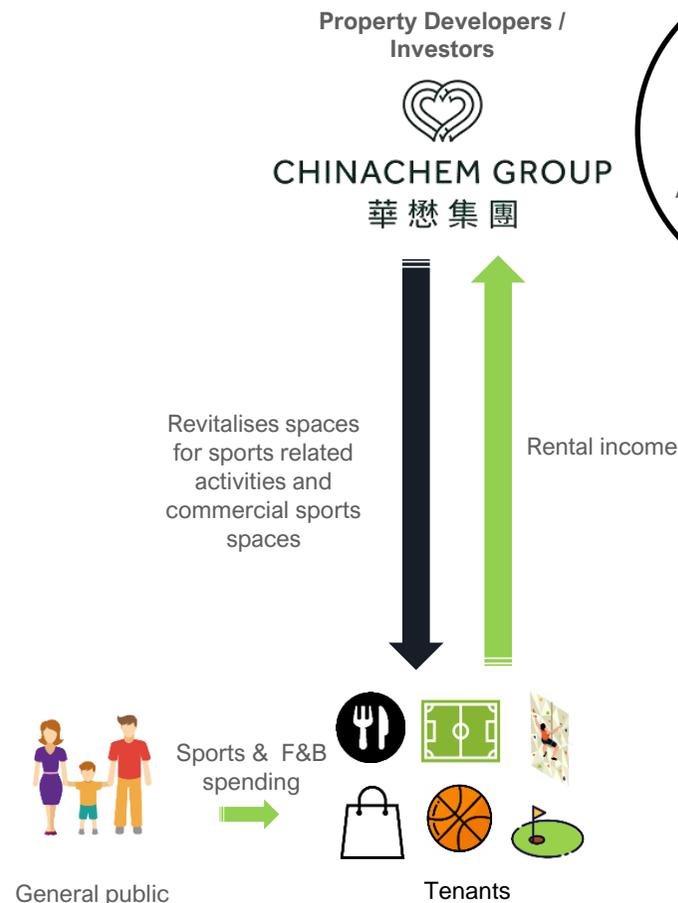
Strategy 3: Revitalisation of Unused Buildings & Spaces – Revenue Model

Example of property identified for revitalisation



The Strategy proposes to revitalise unused buildings and spaces. Due to the long term nature of this project, it is suggested the pilot be run for **ten years** to serve as an example for other private sector institutions that a private fitness and wellness hub can be financially sustainable, scalable and replicable.

1. The property developer should identify a building that has potential for revitalisation. In this case, the Riviera Plaza has been identified as a potential building that is ideal for revitalisation for Chinachem.
2. Accounting for costs in land, construction, government rent, agency, marketing and promotion, and government rent during the construction period, total projected costs are estimated to be **HKD 2.26 million**.
3. Once construction and refurbishment of the identified property or space is completed, tenants can move in to the property or space and establish their sports and wellness offerings. Rental will be charged at \$50 per sq. ft.
4. Income for the tenants from consumption in sports and wellness activities, food and beverage, and sports retail purchases is projected to be **HKD 3.23 million**.



Strategy 3: Revitalisation of Unused Buildings & Spaces – *Financial Model*

Property development projects such as this require more time and investment to effectively see a return on investment (ROI) as well as effects on the local and wider community. The following financial model for a 10-year period was generated based on the below assumptions.

Subject Information

Riviera Plaza, 28 Wing Shun Street, Tsuen Wan

荃灣永順街28號海濱廣場

A 9-storey commercial centre with a 2-storey basement car park

Gross Floor Area: 242,685 sq.ft., efficiency = 70%

Operating Permit: 1990

Car Parking Spaces : 155

Lorry Parking Spaces : 16

Model Assumptions

Revamp Period : 18 months

Revamp Costs : \$607 million @ \$2,500 per sq. ft.

Land Cost : \$1.5B @ \$6,181 per sq. ft.

Rental (incl. Management Fee) @ \$50/sq. ft./month (year 1)

- Leasing term : 2 Years
- Rental reversion : 10%
- Expense to income ratio : 28%

Occupancy

- 1st Year : 70%
- 2nd Year onwards : 90%

Car park space rental @ \$2,200 per month

10-year aggregated figures:

	\$	\$ psf GFA
Rental income (occupied)	1,080,961,343	4,454
Retail	1,004,541,369	4,139
Carpark	76,419,974	315
Net disposal proceeds (Investment portion)	2,144,141,267	8,835
Retail	1,949,523,608	8,033
Carpark	194,617,659	802
Total project revenue	3,225,102,610	13,289
Land cost	(1,500,000,000)	(6,181)
Construction cost (incl. consultancy fees)	(606,712,500)	(2,500)
Government rent	(86,476,907)	(356)
Agency cost	(32,428,840)	(134)
Marketing and promotion costs	(32,428,840)	(134)
Government rent during construction	(1,553,425)	(6)
Total project cost	(2,259,600,513)	(9,311)
Gross profit	965,502,098	3,978
Interest cost	(213,521,952)	(880)
Net profit (before tax)	751,980,146	3,099
Gross profit margin	29.9%	
Net profit margin	23.3%	
Return on equity (before tax)	64.0%	
Unleveraged IRR (before interest and tax)	2.1%	
Leveraged IRR (after interest before tax)	1.9%	

Strategy 3: Revitalisation of Unused Buildings & Spaces – *Results & Impacts*



Results

- A revitalised building or space that promotes sports and wellness which not only creates jobs for the community but also is a destination for sports through its offering of both retail and experiential sports activities.
- A unique destination with a variety of attractions that appeals to all ages and backgrounds.
- Provides a boost to property value.

Impact

- Popularise sports and provides facilities for engaging in active and healthy lifestyles.
- Create a more active community and engagement with the immediate surrounding area of Riviera Garden by providing them with an accessible place to do sport as well as congregate.
- Diverse and new business opportunities that can attract a variety of sports and wellness brands.
- Creating a new financially sustainable and replicable business model that combines sports and retail.



Summary of Financial Models: Profit & Loss of Pilot Projects

		Strategy 1: Expanding Access to Tun Yu School's Grass Pitch – Tun Yu School	Strategy 1: Expanding Access to Tun Yu School's Grass Pitch – HKRU	Strategy 2: Coworking Wellness Hubs – HKFYG HQ	Strategy 3: Revitalising Unused Buildings – Rivera Plaza
		Annual \$	Annual \$	Annual \$	10Y Total
1	Revenue	\$ 170,500	\$ 406,000	\$ 157,200	\$ 3,225,102,610
1.1	Rental revenue	\$ 80,500	\$ -	\$ 157,200	\$ -
1.2	Subsidy from OSS	\$ 90,000	\$ -	\$ -	\$ -
1.3	Sub-leasing rental revenue	\$ -	\$ -	\$ -	\$ 1,080,961,343
1.4	Net disposal income	\$ -	\$ -	\$ -	\$ 2,144,141,267
1.5	Participant fees	\$ -	\$ 400,000	\$ -	\$ -
1.6	Train the Trainer Program	\$ -	\$ 6,000	\$ -	\$ -
2	Costs	\$ (134,000)	\$ (100,000)	\$ (78,520)	\$ (2,259,600,513)
2.1	Land cost	\$ -	\$ (40,000)	\$ -	\$ (1,500,000,000)
2.2	Construction cost (incl. consultancy fees)	\$ -	\$ -	\$ -	\$ (606,712,500)
2.3	Government rent	\$ -	\$ -	\$ -	\$ (86,476,907)
2.4	Agency cost	\$ -	\$ -	\$ -	\$ (32,428,840)
2.5	Marketing and promotion costs	\$ -	\$ -	\$ -	\$ (32,428,840)
2.6	Government rent during construction	\$ -	\$ -	\$ -	\$ (1,553,425)
2.7	Added maintenance	\$ (60,000)	\$ -	\$ (19,680)	\$ -
2.8	Added security	\$ (54,000)	\$ -	\$ (19,680)	\$ -
2.9	Additional staff hires	\$ -	\$ (60,000)	\$ -	\$ -
2.10	Additional insurance costs	\$ (20,000)	\$ -	\$ -	\$ -
2.11	Equipment investments	\$ -	\$ -	\$ (9,580)	\$ -
GROSS OPERATING PROFIT (GOP)		\$ 36,500	\$ 306,000	\$ 78,680	\$ 965,502,098
Interest costs					\$ (213,521,952)
NET PROFIT		\$ 36,500	\$ 306,000	\$ 78,680	\$ 751,980,146



Prioritising Local Food Production for Health & Sustainability

Local Food Production in Hong Kong

In the 1980s Hong Kong produced 30%-50% of what it consumed. As the city evolved from a manufacturing hub to a service economy, the agricultural industry has also moved to the periphery. Today, over 90% of the food the city consumes are imported, with only 1.8% of fresh vegetables produced locally.

Given Hong Kong's dependence on food imports, there are concerns regarding food security, sustainability and nutrition. Importing food over long distances creates a large carbon footprint, the nutritional value of produce decreases over long transport and storage times, and Hong Kong's food supply is vulnerable to shocks and stresses in global supply chains.

Agricultural activities today are mainly conducted in the New Territories and urban fringes. The amount of farmland has continuously shrunk by over 26% since the start of the millennium. Whilst there remains over 4,000 hectares of farmland available, only about 600 hectares of this is actively farmed, with the remainder left fallow and turned into brownfield sites.



Challenges

The uncertainty of land availability over the long term fosters a reluctance among local farmers to invest in agricultural infrastructure and technology. Government development projects like Lantau Tomorrow and Northern Metropolis further hamper the prospects for this industry.

Producers also face issues such as lack of channels to market and sell their produce. High costs of inputs, labour and transportation to urban areas also impact the viability of the industry. Schemes such as the Sustainable Agricultural Development Fund (SADF) and the Farm Improvement Scheme (FIS) have been criticised for having long approval waiting times and insufficient subsidies for purchasing of equipment.

Uncertainty of land availability

- Uncertainty over land ownership prevents farmers from committing to long-term investments

Lack of sales channels

- Limited customer awareness of local produce and limited places to sell them

Lack of support

- Limited financial and technical support from the Government

High costs

- Rent, transportation and labour costs are high in Hong Kong
- Remoteness of farms means transportation costs to markets are too high
- High costs also translates to higher prices, which makes local produce uncompetitive



Opportunities

In recent years, the Government has increasingly supported the adoption of agro-technology. For instance, it is now possible to adopt hydroponic farming in industrial premises. The Agricultural, Fisheries and Conservation Department (AFCD) has also established the Controlled Environment Hydroponic Research and Development Centre aimed at R&D for such farming. The recent policy address also announced further support for the promotion of agro-technology.

The use of hydroponic farms has the benefit of being less land-intensive compared to traditional farming. The use of a controlled environment also yields more consistent produce and are less susceptible to changes in weather and pests.

Proposed measures

In order to support more local food production in Hong Kong, the following three proposals are suggested:

1 Hong Kong Agricultural Hub

- Creating an Agricultural Hub at the new Agricultural Park to coordinate all policies related to the local agriculture and food sector and provide support in training, marketing, education, external promotion, and R&D.

2 Expanding scope of Green@Community to support distribution and marketing of local produce

- Expanding scope of Green@Community stores beyond recycling to include selling of local produce to further promote green lifestyles in Hong Kong.

3 Using brownfield sites to house modular hydroponic farms

- Piloting a hydroponic farm using Modular-integrated Construction to better utilise brownfield sites and increase supply of safe, fresh, local produce.



Agricultural Hub

Hong Kong can draw inspiration from countries such as the Netherlands and Singapore to transform the agricultural and food production sector. Both countries have strong centralised support from the government to help boost the agricultural export economy and increase food self-sufficiency and security.

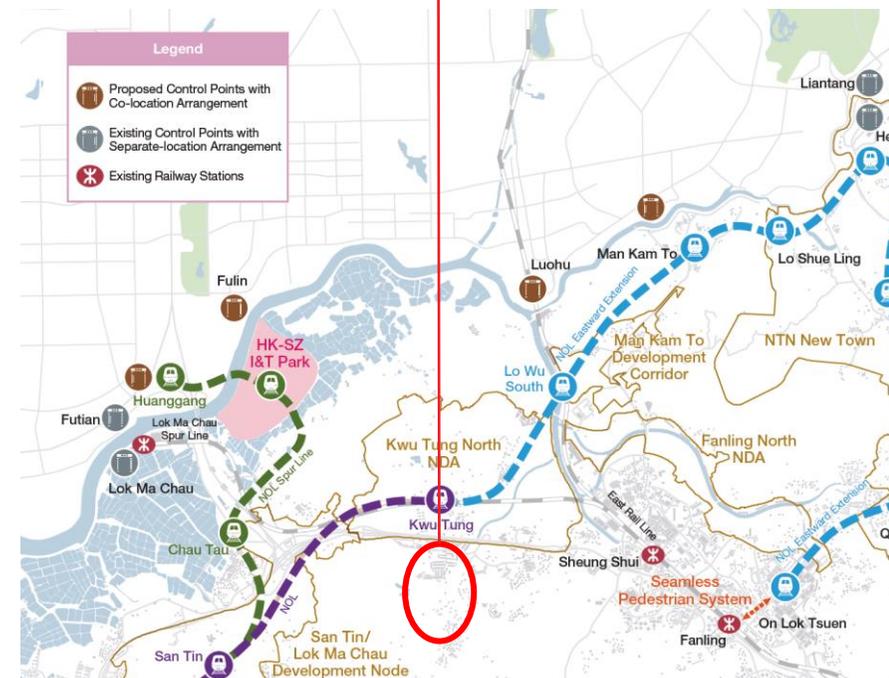
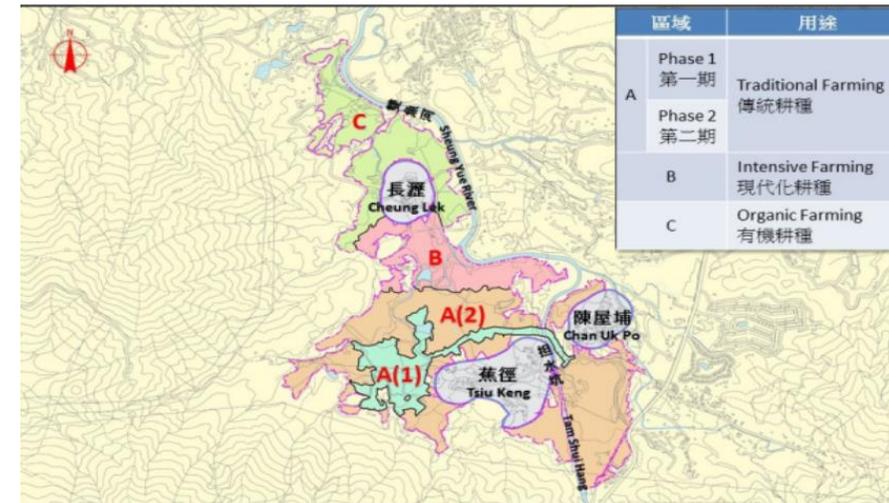
The Hong Kong Government is currently developing the Agricultural Park Phase I and II in Kwu Tong South, with Phase I expected to be completed in 2022. This is intended to support the modernisation of farm management.

There is an opportunity for the Agricultural Park to be developed into an **Agricultural Hub**, to have the autonomy to coordinate all farming policies, support and promotion in Hong Kong, as well as engage in R&D for the sector.

It will have the following roles:

- Work with the Government to propose supportive policies for the industry
- Attract entrepreneurs to start agriculture or food businesses in Hong Kong, and investors to invest in them
- Promote Hong Kong local food products
- Provide training and agricultural extension services
- Educate the public on agriculture, food production, food science, nutrition and sustainability, including at schools
- Organise farmers markets
- Establish e-commerce platforms and other sales channels for local agri-food businesses
- Conduct and coordinate R&D

Agricultural Park in Kwu Tong South



Green@Community

Many farmers in Hong Kong struggle to find places to sell and market their produce. There are markets in urban areas but transportation costs are high, making profit margins low and produce expensive to consumers.

One proposed solution is to leverage the existing facilities and ecosystem of the Green@Community centres across Hong Kong, to help in marketing and distributing local produce.

Green@Community is a network of recycling stations established by the Environmental Protection Department (EPD) with locations in all 18 districts. Operated by various NGOs, it aims to support the public to recycle and instill a sustainable lifestyle within Hong Kong.

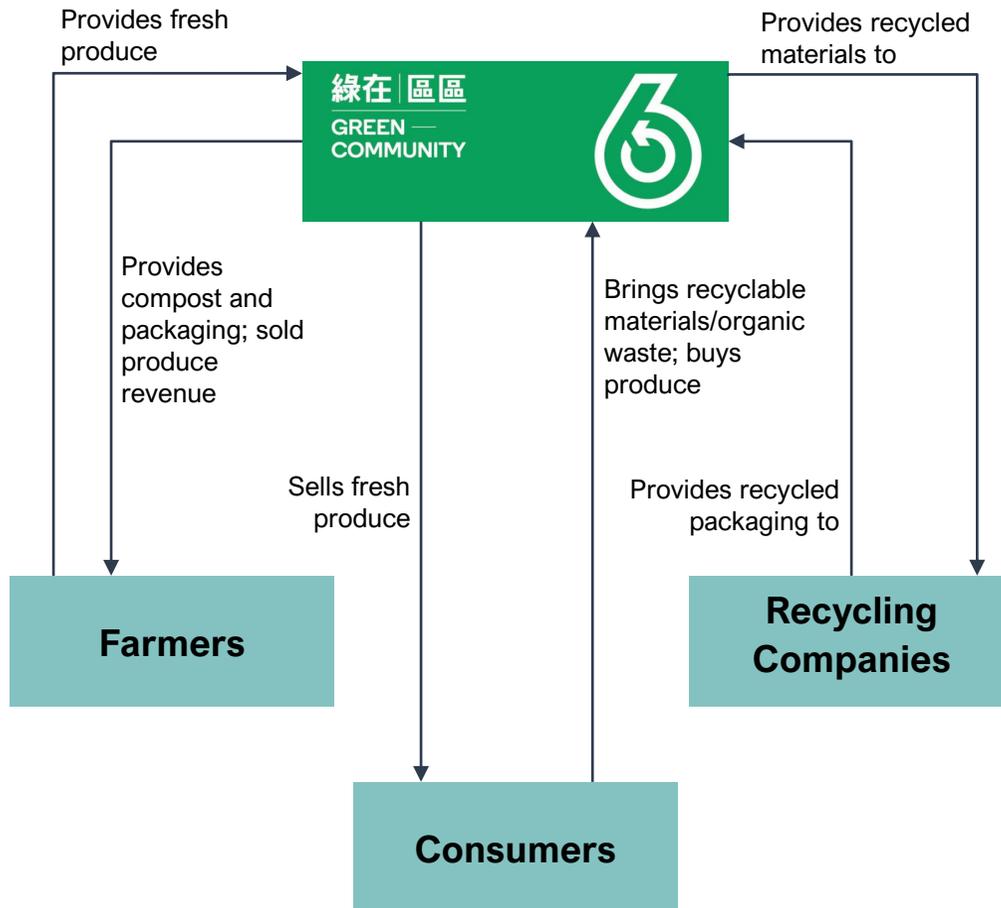
There are 11 stations, 22 stores, and over 100 Recycling Spots operating on a weekly schedule to collect recycling materials from various residential areas.

A joint partnership between AFCD, the proposed Agricultural Hub and Green@Community can achieve mutually beneficial objectives. Farmers will have a new channel for distributing their produce at low cost, and Green@Community centres will be able to attract greater footfall and awareness of its activities through new sustainable products being sold at the centres.

An arrangement can be made where Green@Community and farmers share the cost for logistics if recycled materials can be collected at the same time as fresh produce, and recycled materials from recycling centres can be used in the packaging of produce sold at the Green@Community centres.



Green@Community



Benefit to Farmers

- Lower transport costs
- A dedicated market to sell their produce
- Free use of recycled packaging
- Higher margins as Green@Community will not take a portion of profits

Benefit to Green@Community

- Realise green lifestyles through the promotion of local food consumption
- Greater awareness and use of the centres from higher footfall of shoppers
- Can directly contribute to reuse/recycling of material for use in packaging produce
- Can contribute to less waste sent to landfill by including the collection of food waste to be made into composting for local farmers

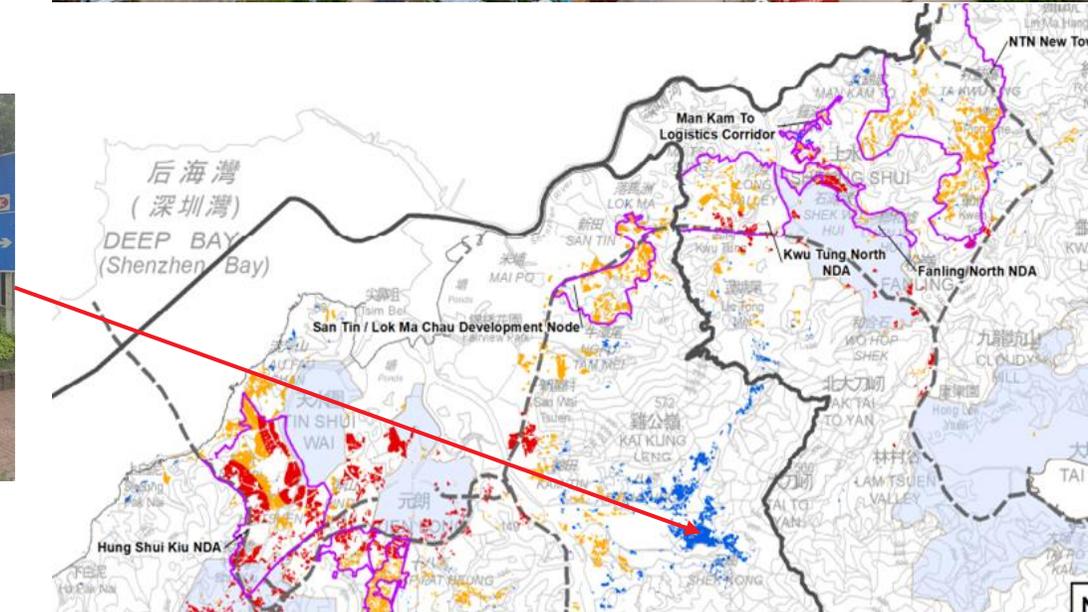
Brownfield Sites

Among the 4,900 ha of agricultural land in Hong Kong, many have been transformed into brownfield sites that are used for purposes such as industrial, storage, logistics and parking. These sites have lower rental costs compared to urban areas, often due to the lack of surrounding facilities and the low potential for development or large-scale commercial activities. Despite this, some brownfield sites are underutilised and may present an opportunity for food production businesses to be located there.

The bottom right figure shows areas with low (blue), medium (orange) and high (red) development potential. Those with low potential for development may be considered to house modular hydroponic systems that can provide a vast amount of fresh produce for Hong Kong consumers.



Typical brownfield site used for parking



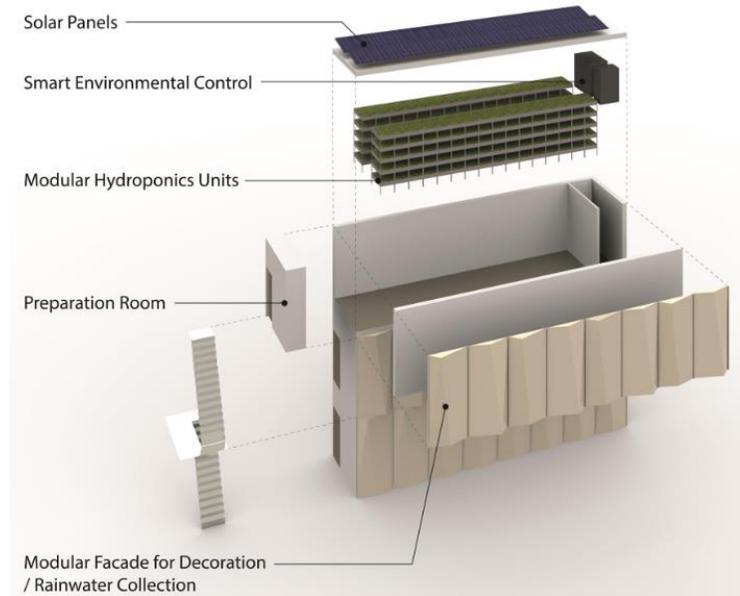
Case Study – Modular Farms

To encourage the use of brownfield sites for food production, a hydroponic business using modular construction can be considered. This case study includes a pilot business plan to start a hydroponic business on a brownfield site, using a three storey, modular construction method for ease of installation, moving, operation, and scaling.

Modular integrated construction (MiC) is a construction method whereby modules are manufactured and assembled in a factory and then transported to site for installation. They can be easily upgraded, repaired, disassembled, and stacked. From design to operation it takes 8 months. These benefits make them much more efficient than traditional on-site construction, and are suitable for use on brownfield sites.

Hydroponics, or other types of indoor agricultural systems, can be built into the modules along with automated systems for providing water, artificial lighting, and nutrients. These modules can be set up in a manner of locations from office buildings, industrial buildings, and vacant land.

Modular farms can be wholly owned and operated, or rented out to clients on a monthly basis.



Modular Farms – Financial Plan (1/2)

A 3-storey MiC hydroponic farm is estimated to produce about 35-50 kg of vegetables. Assuming that the partnership with Green@Community as previously mentioned is achieved and other B2B and B2C channels are established to sell all of the produce, modular farms can be a profitable business.

Due to the high initial capital and cost of operating a business in Hong Kong, it is recommended that the farm produces more higher value products, like strawberries and edible flowers, that have higher profit margins and are sought after by high end restaurants. It proposes 80% of the farm to be higher value at HKD 70/kg, while the other 20% be lower value at HKD 50/kg.

It is also suggested that the farm runs educational tours at a fee for visitors who wish to learn more about hydroponic farming. There could be potential for more revenue if simple processed products such as teas and jams be sold or served at the site.

Based on these assumptions, it is estimated that break-even can be achieved within 4.3 years.

The plan is based on assumptions provided by the Controlled Environment Hydroponic Research and Development Centre, and does not account for inflation.

Assumptions	
1 MiC unit area	33 sqm
3-storey MiC unit area	100 sqm
MiC cost per sqm	HKD 20,000
Daily operational costs per sqm	HKD 12
Cost of farm development per sqm	HKD 6,700
Daily output per sqm	0.5 kg
Revenue from vegetables per kg	20% lower value @HKD 50 80% higher value @HKD 70
Revenue per tour (8 tours per month at 20 visitors per tour @HKD 50 per person, including vegetable sales, minus expenses)	HKD 1,000
Total area including office and other service areas	150 sqm
Rent per sqm per month	HKD 35

Modular Farms – Financial Plan (2/2)

Per year

Annual Revenue:

Revenue from vegetables	HKD 1,125,000
Revenue from educational tours	HKD 96,000
TOTAL:	HKD 1,221,000

Annual Cost:

Opex of running farms	HKD 438,000
Rent	HKD 63,000
Other COGS	HKD 100,000
TOTAL:	HKD 601,000

Annual Profit:

HKD 620,000

Capex:

MiC Development	HKD 2,000,000
Farm Development	HKD 670,000
TOTAL:	HKD 2,670,000



Supportive Policies

Simplify agricultural funding

The AFCD currently has the Sustainable Agricultural Development Fund (SADF) and the Farm Improvement Scheme (FIS) to support farm development, however approval processes can sometimes take a long time (an average of 15 months for SADF), and subsidies are limited (FIS provides a ceiling of HKD 30,000, and SADF is a matching fund capped at no more than 50% of total cost). This impacts farmers' ability to plan ahead and invest in equipment that can improve their productivity.

It is suggested that multiple funds be consolidated into one and application procedures simplified. Funds should also be disbursed within 3 months. Greater flexibility on how funds are used should also be considered.

Green Tech Fund

EPD currently has a Green Tech Fund which aims to fund R&D to help Hong Kong decarbonise and enhance environmental protection. Support ranges from HKD 2.5 – 30 million. However agriculture is not one of the prioritised themes for support, despite this sector's potential to contribute to reducing carbon footprint. This should be changed to include agriculture to encourage the upgrade of farm management systems and technologies.

Allow other value-add services

Many farmers expressed they want to provide other services such as dining experiences or sell simple processed goods at their farms. However current regulation does not allow them to do this.

The Government should consider relaxing some of these regulations to allow farmers to create more revenue streams through other value-added services.

Improve agricultural extension services

There is not adequate agricultural training and extension services provided to farmers. Only the Tai Long Experimental Station provides this currently.

It is suggested that training services be provided to farmers at their farms to allow more direct advice to be given.

Universities and VTC can also offer more courses and be incentivised to conduct more research into agriculture and food science. Students and researchers can work with local farmers to share with them new research and ways to market their produce.



Expanding Caregiving for Dignified Ageing in Place

Introduction

The Census and Statistics Department estimates that the proportion of Hong Kong's population aged 65 and above is expected to rise from 17.9% in 2018 to 34.5% in 2048. In addition, Hong Kong has one of the lowest fertility rates in the world at 1.05% and the highest life expectancy of 85 years. This phenomena will create immense pressure on the public healthcare system as well as increase demand for already strained social welfare and elderly services.

Caregiving services will need to be significantly improved in order to provide the eldercare necessary for the ageing population. A recent survey showed that 75% of local people aged 65 and above, and 45% of those in the 45-64 age group are suffering from one or more chronic diseases, and a high proportion (46%) of hospital day-beds are being occupied by older persons.

Furthermore, the 2019 Hong Kong Poverty Situation Report showed that 30% of the elderly are living in poverty. The rising costs in housing, healthcare and food coupled with an overburdened healthcare system will continue to exacerbate health outcomes for the elderly. This underscores the urgent need for a multifaceted approach to providing support for healthy ageing.

A Government report found that the elderly support ratio will decrease drastically over the next few decades: at present one elder is supported by nearly 4 persons of working age (15-64). This ratio will fall to 1.83 in 2038 and further to 1.48 in 2066, showing a heavier burden on future generations.



Challenges

Below are some of the challenges facing the elderly in Hong Kong:



Physical health

- Lack of a healthy lifestyle with limited access to spaces for exercise and physical activity
- Reliance on treatment over preventative healthcare measures



Community support

- Lack of integration within the community, especially for those in care homes
- Limited affordable services for the elderly in close proximity to homes



Mental health

- Loneliness and lack of social networks
- Lack of activities to stimulate the mind



Support to caregivers

- Lack of support for family caregivers
- Lack of trained caregivers

Proposed measures

In addition to the care that elderly require, it is also important for them to be afforded the opportunity to age with dignity which includes having a purpose, feeling valued and being treated with respect. One of the most effective ways to preserve dignity for ageing adults is providing for Ageing in Place ('AIP'). AIP refers to the ability of an aged person to remain in one's own residence for as long as possible whilst maintaining the way of life and comforts that are important to them.

The proposed measures recommend that this be achieved through "The Common Home" concept which will have the following three elements:



1

Time Bank

- Encouraging positive community engagement through a Time Bank system where volunteers exchange good neighbourly services for credits. Credits can be exchanged for discounts on voluntary health insurance, transport rides, etc.

2

Improving physical environment of new and existing housing estates

- Creating new walking trails, multipurpose rooms, and community gardens to support ageing-in-place and create spaces where activities on the Time Bank can be held.

3

Scaling caregiving services

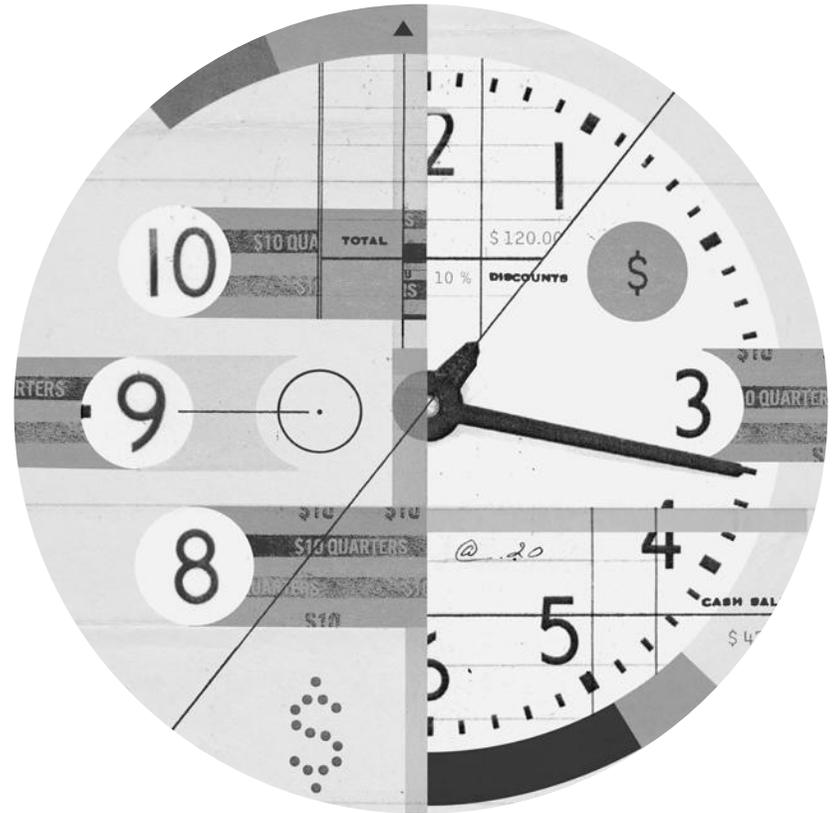
- Through a new Health Hub run by Hong Kong Housing Society that provides caregiving services and training.

Time Bank

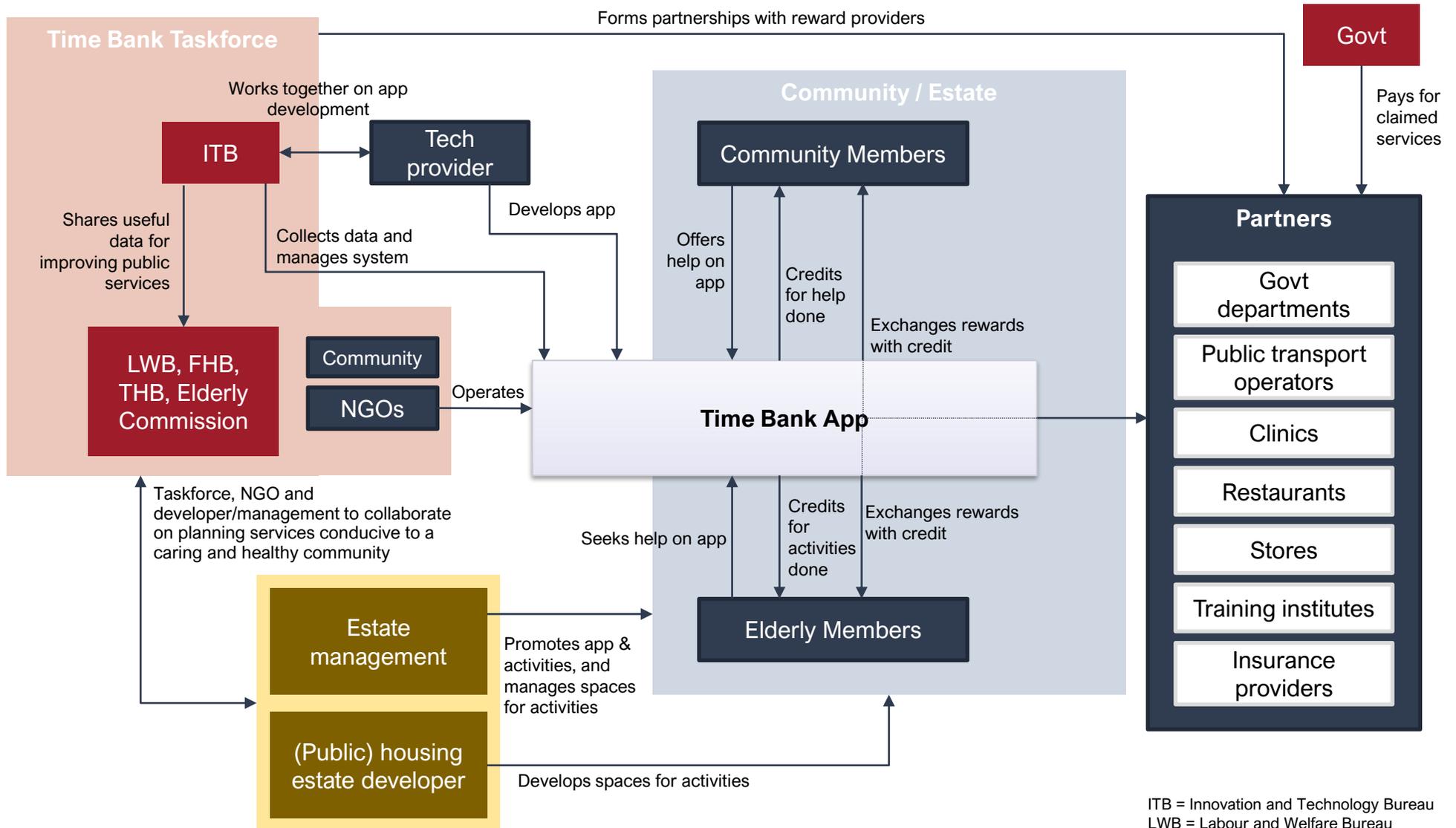
Time banking is a bartering system where individuals exchange services for labour-time based credits, rather than money. The term was coined and trademarked by American lawyer Edgar Cahn, who advocated for its use to supplement Government social services.

It is proposed to establish a Time Bank system at each housing estate across Hong Kong, or even at the District level, to facilitate residents to volunteer their time for good neighbourhood acts. These include helping each other with physical exercise, accompanying elderly on walks, taking care of elderly or helping them with errands, participating in mentoring for younger people, teaching others in digital or life skills, and organising or participating in local activities such as caregiving training, markets, workshops or events.

Participants can use their credits to claim a variety of benefits, from insurance premium reductions to useful items and services such as public transport rides.



Time Bank – How it works



ITB = Innovation and Technology Bureau
 LWB = Labour and Welfare Bureau
 FHB = Food and Health Bureau
 THB = Transport and Housing Bureau

Time Bank: How it works

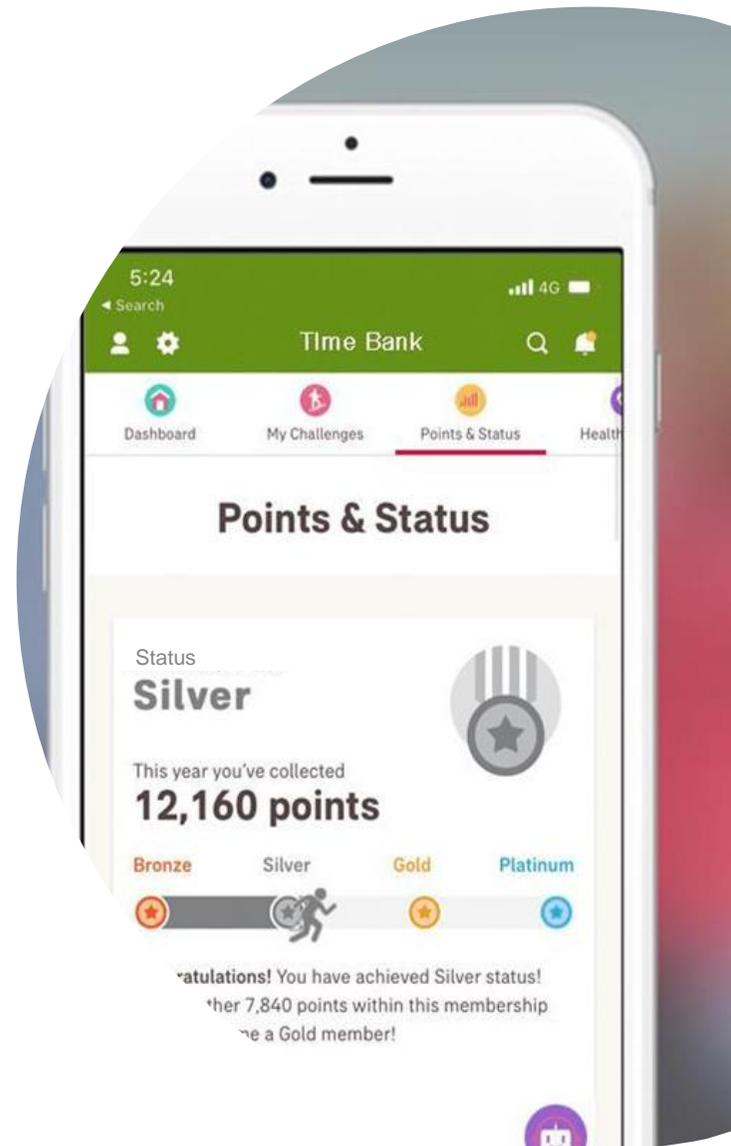
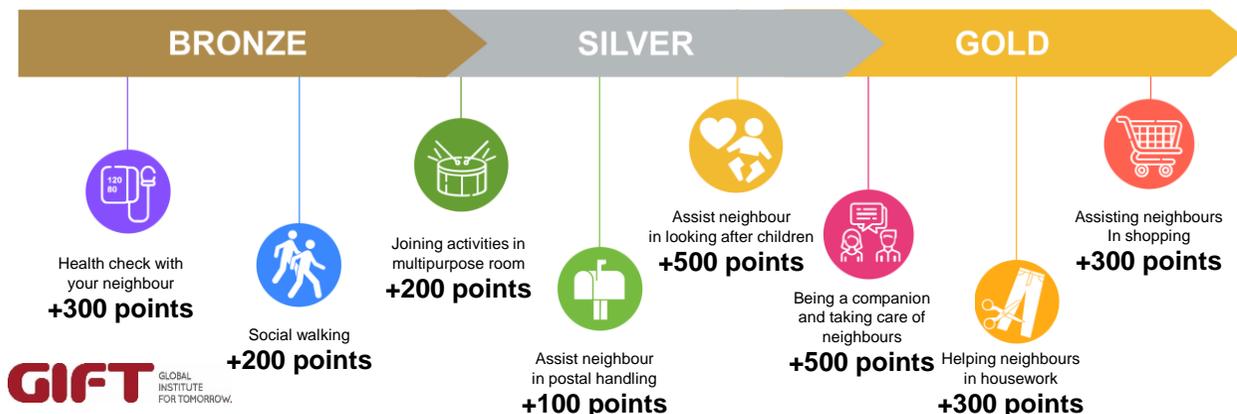
It is suggested that the Time Bank system be commissioned by a joint taskforce that includes the Innovation and Technology Bureau, Labour and Welfare Bureau, Food and Health Bureau, Transport and Housing Bureau, the Elderly Commission, and community members such as NGOs, youth groups and elderly members. The taskforce will provide recommendations on activities to be traded on the Time Bank, establish partnerships to provide rewards on the system, and promote the scheme to the public.

The taskforce will work with housing developers and management, especially those involved in public housing, to roll out the Time Bank at housing estates. They will recommend developers and management to design, provide and manage spaces that are useful for the community activities, such as the proposed walking trails and multipurpose rooms.

A technology provider will be engaged to develop the Time Bank, and an NGO will be engaged to operate it.

Reward Scheme

Members of the time bank seek and engage services through the app. In the case of elderly citizens, the operating NGO may assist. Credits can be earned by providing or engaging in community good acts through the app. Points accrued can be exchanged for products and services offered by the partners. Users can rise in status (from bronze to silver to gold) once they reach a certain number of credits. The more credits you earn, the higher your level and the better rewards you can gain from the Time Bank.



Benefits

The types of benefits vary depending on the partnerships acquired in the scheme. Below are some examples:



Partner	Benefit	Details
<ul style="list-style-type: none"> Food & Health Bureau Insurance companies 	<ul style="list-style-type: none"> Premium reduction on the Voluntary Health Insurance Scheme (VHIS) 	<ul style="list-style-type: none"> This will be appealing to the younger generation and can help to expand participation in the VHIS
<ul style="list-style-type: none"> Department of Health Healthcare providers District Health Centre 	<ul style="list-style-type: none"> Health Care Vouchers Free health tests 	<ul style="list-style-type: none"> Appealing for the older generation Free health tests at District Health Centres (and private clinics) can help to alleviate stress on public hospital system, and focus elderly on preventative measures and to maintain healthy habits
<ul style="list-style-type: none"> Transport operators (MTR, KMB, taxis etc.) Octopus Ride hailing app 	<ul style="list-style-type: none"> Free rides or reduced transport fees 	<ul style="list-style-type: none"> Credit on Octopus cards or ride hailing apps for use in transport
<ul style="list-style-type: none"> Training institutes 	<ul style="list-style-type: none"> Free training/courses 	<ul style="list-style-type: none"> Provides useful courses for the community such as caregiving, financial planning, cooking, child rearing, etc.
<ul style="list-style-type: none"> Stores and restaurants (e.g. supermarkets, local shops) 	<ul style="list-style-type: none"> Cash coupons 	<ul style="list-style-type: none"> For use in purchasing goods and services such as food, repairs, and cleaning.

Improving physical environment of housing estates

Housing developers can play a role in facilitating AIP. It is recommended the following spaces be regulated as part of the design and construction of any new developments, not only for Hong Kong Housing Society but for other developers too.



Walking Trail & Community Square

Walking can be a good way to improve physical and mental wellbeing for all ages. By integrating walking trails into new developments that are equipped with elderly-friendly elements such as handrails, pebble paths, and open spaces, it will help to improve community health outcomes and socialisation.

Credits can be earned on the Time Bank if members assist elderly in the walking, or accompany each other in exercise on the trail.



Multipurpose Room

It is important for any development to have common areas where residents can engage in communal activities such as workshops, lessons and events.

People can earn credits by joining or leading activities in the multipurpose room, for example Tai Chi, health talks or handicraft workshops.

This will provide more activities for the elderly to keep them mentally and physically active.



Community Garden

Connecting with nature is a therapeutic activity. Community gardens can help to improve mental wellbeing, and foster community ownership and spirit.

Residents and nearby restaurants can contribute food waste to be made into compost for use in the garden.

Credit can be awarded to those partaking in gardening activities or teaching others how to grow food.

Caregiving services/Community Health Hub

As residents age, the demand for community health and caregiving services will increase. Primary healthcare is the most cost-effective and equitable approach to promote physical and psychosocial health, and helps in disease prevention, early intervention and disease management.

Currently, government District Health Centres (DHC) and DHC Express centres are being established across Hong Kong districts. There is potential for new developments to also include health hubs aimed at providing primary healthcare and caregiving services to residents.

Hong Kong Housing Society can consider piloting a **Health Hub** at new developments/redevelopments such as Ming Wah Dai Ha, and provide **caregiving services** to residents.

The Health Hub can provide services such as checkups, physiotherapy, and cognitive training, either at the Hub location or by home visit. It can also include caregiver respite services to alleviate the burden on existing family caregivers, or home assistance services to help seniors with housekeeping or daily tasks.

Given the increasing demand for caregivers in Hong Kong, it can also include a school for training new caregivers, thus also increasing its revenue streams.

A community pharmacy such as that provided by Health in Action, is also recommended at the Health Hub.



Caregiver Support Policies



Financial Support

Targeted financial support for the training of caregivers should be a top priority for the Government to supply Hong Kong with adequate caregivers.

Subsidies should also be provided to the caregiving sector either in training and employment grants to boost the sector or encourage more people and players to join the sector.

There should also be financial support for homes or care providers looking to upgrade fixtures and furniture, or incorporate gerontechnology such as wearables for seniors.

Workplace Support

Family members may sometimes need to take time off from work to provide care for other family members. It is proposed that the Government provide financial support to individuals and employers to cover absenteeism and alleviate the burden from caregiving.

The scheme may be similar to recent Furlough Schemes whereby organisations pay 30% of an employee's salary while on leave, while the Government contributes 50%, allowing the employee to still receive 80% of their original salary thereby protecting their livelihoods, while reducing the burden on companies.





Co-designing Public Open Space for Enhanced Liveability

Introduction

In 2020, Hong Kong reported a population density of 7,726 people per square kilometre. This highly urbanised and densely populated environment highlights the need for adequate open space. Two-thirds of the city's 800,000 public housing rental flats are smaller than 430 sq. ft. and on average, Hong Kong has only dedicated 4% of land to public open spaces, ranging from 1% in the island district to 12% in Wong Tai Sin. Dense urban environments are a reality in Hong Kong; however, they can be made more liveable.

Public open spaces (POS) are essential for offsetting the effects of small living spaces that can improve a sense of community and quality of life for local residents. The goal is to create easily accessible POS for everyone and provide them with access to quality spaces where they can congregate and relax.

The 'quality' of a POS can also be measured by how well it addresses and meets the needs of the local community it serves. Thus, transparency in decision making and public participation are core components of a POS' success. Community involvement in the process allows designers to better understand the needs of the end-users, which will increase the utility and usage of the POS.

The encouragement of public participation can also aid in removing institutional barriers between the Government and the public, thereby creating social cohesion and engaged communities. The engagement of the public not only ensures a quality designed space but also helps build a more equitable society.

The pilot plan for this section focuses on the creation of a POS Commission which will oversee the revitalisation and development of 100 POS in 5 years. This is achieved through a POS Competition which will include public engagement as an integral part of its structure and invigorate public participation in designing POS.



1 Densely populated and low accessibility of POS

- Average size of POS is 2.7m² in comparison with 7.4m² in Singapore and 6.1m² in Seoul.
- Studies show a correlation between high population density and high stress levels which have knock on effects on mental and physical health.

2 Disparity in the distribution of POS between areas

- Places of higher affluence have access to ten times more POS than those in densely populated urban districts. High-income areas enjoy more than 8m² per capita while low-income areas only have access to 0.6m² per capita.

3 Lack of public participation

- There is a gap between design of POS and the effective use and utility of the POS. Many POS managed by LCSD are subject to restrictive regulations in their use.
- A survey conducted with 3,600 adults gave an average score of 6 out of 10 when asked about their satisfaction with the quality of POS. Most respondents wanted restrictions such as dog walking, cycling, playing music and ball games to be lifted.

4 Weak political and legislative support and slow procurement procedures

- Complex and bureaucratic tendering process that are difficult to understand and navigate.
- The Government's approach to increasing POS is fragmented and lacks coordination.
- There is low transparency among the public about the availability and location of POS. Only LCSD maintains a record of spaces under its management.

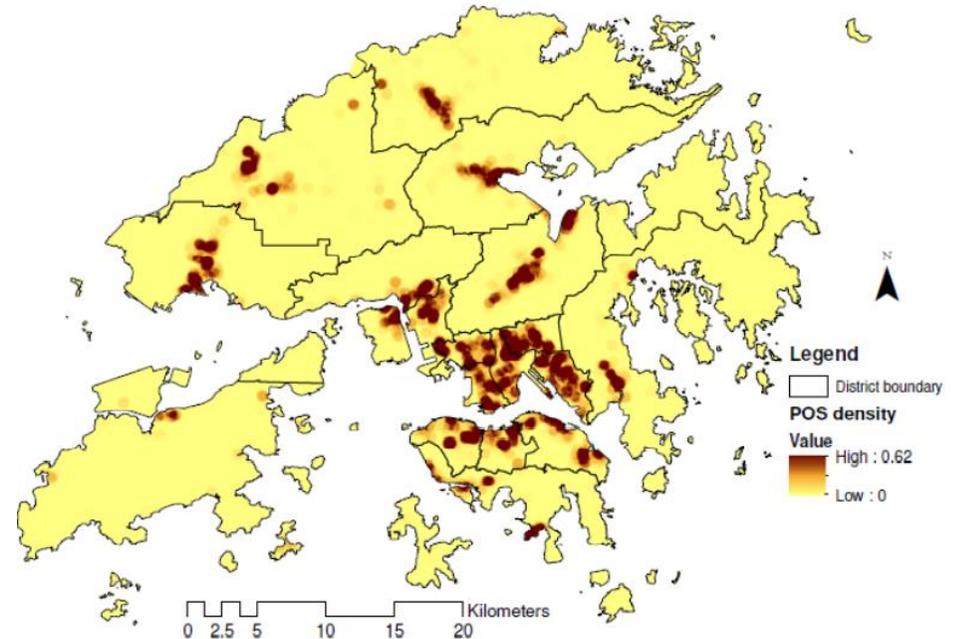
Opportunities

POS enhances citizens' quality of life by promoting personal wellbeing. It allows residents to participate in regular physical activity and encourages socialisation. They are a catalyst for social cohesion by providing a platform for people to interact with others and plan community events and activities.

The Audit Commission has highlighted that while there are designated land zoned as "open spaces", these are yet to be developed. If they were developed, the average POS per capita would increase to 3.39m² per person. However, a more thorough review is required to analyse the distribution by district.

Several studies have found that embedding community engagement as a core component throughout a space's life, from design to governance, increases community attachment and usage of that POS. As such, introducing a participatory process for citizens in the development can help remove institutional barriers between the Government and public and build stronger and better engaged communities.

As primary users of the space, the community has a unique set of knowledge and expertise that can be leveraged to improve the quality of the space. The Government aims to upgrade and renovate 170 play and fitness equipment spaces by 2025. However, there is an opportunity for the Government to include the public in an open design competition to enhance citizen engagement and usability of POS.



Map of POS density, i.e., the fraction of land within 400m of each location that is POS.

Proposed Measures



1 Formation of a Public Open Space (POS) Commission to oversee the rapid development of 100 POS in 5 years

- Commission comprising of relevant government departments, REDA, and community groups focused on revitalising existing and developing new POS, with an expedited approval and construction process to achieve the target.

2 Create a public POS Competition to engage the public in the provision of quality POS

- To integrate public participation into the POS design process to improve utility and reinvigorate the local design sector.

The target is to develop and improve 100 POS within 5 years and embed active public engagement into the process

Public Open Space Commission (1/3)

- It is proposed to establish a POS Commission to oversee the expansion and improvement of POS and launch a territory-wide POS Competition.
- The role of the POS commission is to achieve the goal of building 100 POS within 5 years, integrating public consultation into the design process.
- Fragmented POS management is hindering improvements in the supply, distribution and management of POS. Establishing an overarching POS commission can facilitate cross-departmental collaboration between the different POS providers and stakeholders, thus accelerating improvements in POS policy, design and implementation.
- The POS Competition to be launched by the POS Commission will be an opportunity for the public to participate in the design and development of the POS.
- The POS Commission would help to target dense, low-income areas with low POS per capita, and identify vacant, underutilised land and/or spaces that are neglected and not fit for purpose – this will form part of the basis of the POS Competition.



How It Works

Proposed Members

The Planning Department would be ideally positioned to chair the POS Commission given their responsibility to determine the provision of POS in Hong Kong.

Other key members would include Government departments, agencies, NGOs and corporate groups:

- District Officers
- Home Affairs Bureau
- Housing Authority
- Leisure and Cultural Services Department
- Urban Renewal Authority
- Architectural Services Department
- The Real Estate Developers Association (REDA)
- Youth Groups, e.g. HKFYG, BGCA
- Elderly Commission
- Business Associations
- Create HK

Proposed Terms of Reference:

Commission Framework

- Each member will take turns chairing the POS Commission.
- The POS Commission will be partially funded by the Government with contributions from private members and business associations.
- The POS Commission will initially identify 50 locations for development; following the POS Competition, they will carry on identifying further spaces for development.
- The Commission should have the autonomy to approve budgets, disburse funding and hire an efficient team to ensure projects are completed efficiently and they meet the target.



CREATEHK



康樂及文化事務署
Leisure and Cultural
Services Department



建築署
Architectural Services
Department



BGCA
香港小童群益會
The Boys' & Girls' Clubs Association of Hong Kong



安老事務委員會
Elderly Commission



市區重建局
URBAN RENEWAL
AUTHORITY



THE REAL ESTATE DEVELOPERS ASSOCIATION OF HONG KONG
香港地產建設商會



民政事務局
Home Affairs Bureau



香港房屋委員會
Hong Kong Housing Authority



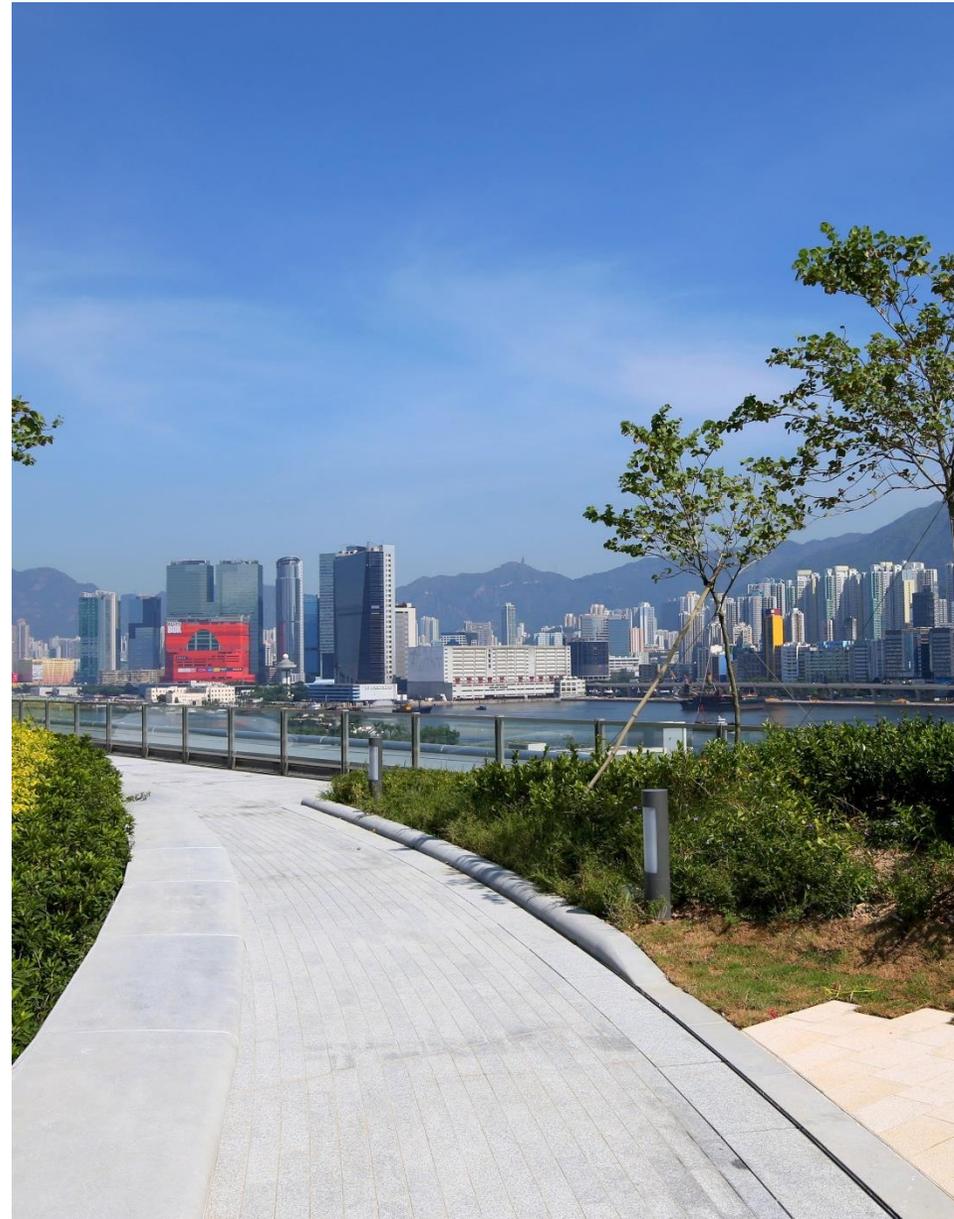
HKFYG
香港青年協會

Upgrading existing POS to meet community needs

- Drawing on available data, such as from the Geospatial Lab, to review current state of existing POS under different Government departments and private organisations, including upkeep, usability and accessibility.
- Create a centralised database of all POS in Hong Kong that is accessible to the public and includes information on location, opening hours, types of facilities, events and activities allowed at the space, contact information for enquiries and opportunity to provide user feedback.

Increase the sociability, accessibility and utilisation of POS through active community engagement

- Conduct active community engagement throughout the life-cycle of a space including during the POS Competition.
- Collaborate with civil society to conduct:
 - Community engagement workshops for user feedback on POS design;
 - Tactical urbanism activities to introduce low-cost temporary innovative changes to POS to improve neighborhoods in the long-term; and
 - Social events at POS for the promotion of POS as venues for sports, recreation, arts and culture.



Public Open Space Competition (1/3)

Proposed Terms of Reference:

- The competition will be overseen and operated by the POS Commission, which is made up of members from a variety of backgrounds.
- The POS Commission will **identify suitable target areas** for the POS Competition. Areas of high population density and low accessibility to POS should be prioritised as target areas by the POS Competition.
- The POS Competition will be **open to the public** but select designers and local architectural schools will be invited to participate. However, participation will be restricted to Hong Kong based companies and individuals only.
- The POS Commission will provide a **design brief** for POS Competition participants. Participants should be informed to:
 - seek **community feedback** during their design process to ensure sociability, accessibility and utilisation of the POS;
 - consider the **carbon footprint** of their design; and
 - estimate **projected costs** of the proposed design.
- After the closure of the submission period, participants will exhibit their models/prototypes in a **Prototype Exhibition**. This will take place in a publicly available space, e.g., a community hall or a local mall with high foot traffic, for one month to allow local residents to view and judge.
- During the one-month Prototype Exhibition, residents in the community may go and view the entries and submit their vote through a voting system arranged by the district council offices related to the POS site. The **public vote will form 50%** of the overall judgment.
- At the same time as the public vote, the POS Commission will make their judgment which will form 50% of the overall judgment.
- The POS Commission will **publicly announce the winners** by publicising the announcement in local newspapers and on community announcement boards of community halls and the district offices of the targeted POS.
- The POS commission will work together with the POS Competition winners to develop their site and liaise with relevant Government departments to achieve the design vision.
- Implementation target budget: HKD\$200 million for 100 sites; the cost of construction will be dependent upon the design complexity and material costs.

Impact

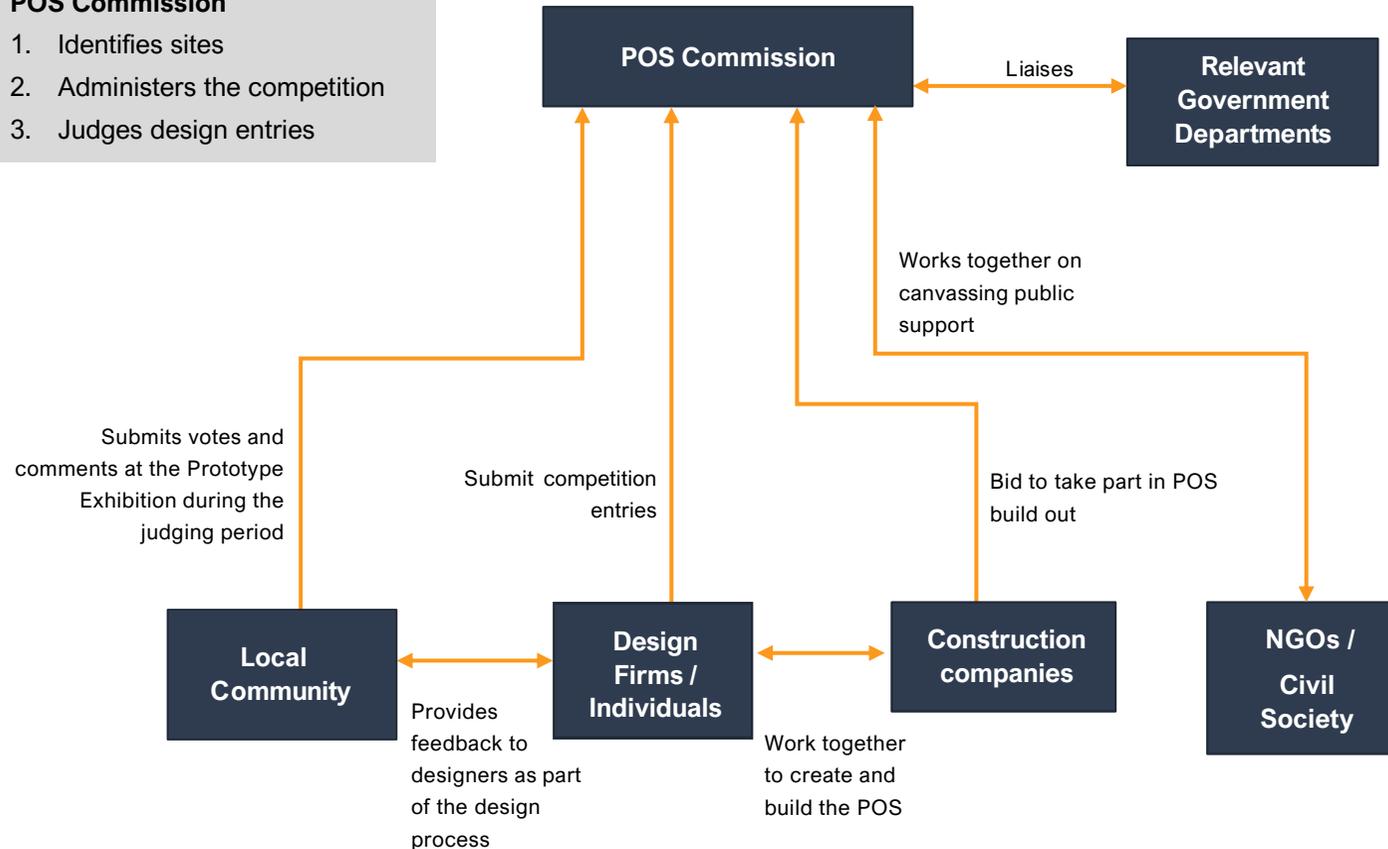
- Meeting the target of 100 POS in 5 years
- Formalising public engagement and giving local communities the opportunity to contribute ideas and raise issues related to the POS they will use
- Creating new job opportunities for designers to reinvigorate creative industries, and benefitting local construction companies

Public Open Space Competition (2/3)

How It Works

POS Commission

1. Identifies sites
2. Administers the competition
3. Judges design entries



Relevant Government Departments

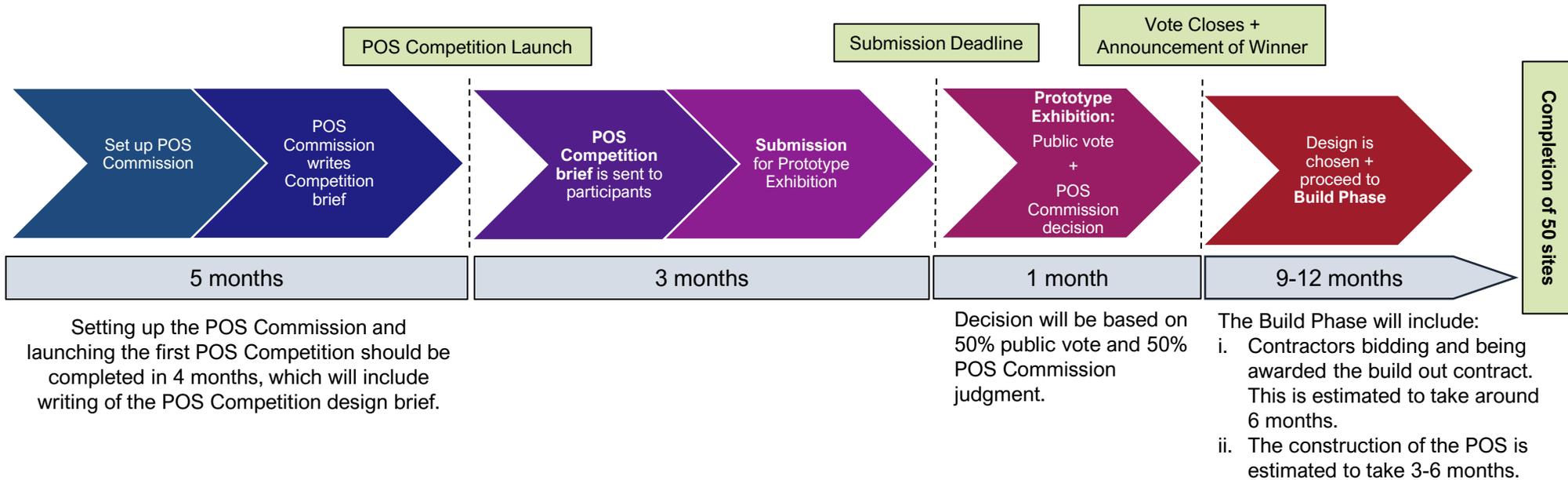
1. Relevant departments are those under the Development Bureau
2. Responsible for handling and approving tender applications and procurement for public space design team
3. Responsible for disbursing funding, approving construction tenders, managing completed space, etc.
4. Manages and approves bookings of public space based on guidelines determining if events are of public interest and wellbeing

NGOs/Civil Society

1. Works together with POS Commission to conduct community engagement workshops
2. Assist in raising awareness of POS competition
3. Organise social events at completed POS

Public Open Space Competition (3/3)

Implementation Timeline: Short-term



Implementation Timeline: Short to Long-term





For more information about the Hong Kong Stay & Build Programme, please contact enquiry@global-inst.com