

Application Notes

(AN-OBB 2.0 (Bldg))



Operation Building Bright 2.0

(First Round Application)
(Applicable to Owners' Organisation of
Category 1 Building)

Enquiry

3188 1188



發展局
Development Bureau



AN-OBB2.0(Bldg)

Introduction

With a view to safeguarding public safety, the Chief Executive announced in the “2017 Policy Address” to earmark HK\$3 billion for the implementation of the “Operation Building Bright 2.0” (“**OBB 2.0**”). This one-off measure aims at providing technical and financial support for owner-occupiers of private residential or composite buildings aged 50 or above with a relatively low average annual rateable value. The Government has partnered with the Urban Renewal Authority (“**URA**”) to implement OBB 2.0 to assist owner-occupiers to act in compliance with the requirements under the Mandatory Building Inspection Scheme (“**MBIS**”).

Target Buildings

There are two categories of buildings under OBB 2.0:

Category 1

Category 1 covers buildings whose owners or owners' organisations are prepared to carry out at least the prescribed inspection and repair works for the common parts of their buildings on a voluntary basis with a view to complying with the outstanding MBIS statutory notices;

If the building owners or owners' organisations consider their buildings meeting the “**Eligibility Criteria**” (please refer to Paragraph 1 of this Application Notes), they may submit applications in accordance with the “**Application Period and Methods**” (please refer to Paragraph 2 of this Application Notes) for their buildings to be included as Category 1 buildings.

Category 2

Category 2 covers buildings which have not complied with the outstanding MBIS statutory notices but the owners or owners' organisations concerned have difficulties in coordinating the prescribed inspection and repair works for the common parts of the buildings and are selected by Buildings Department (“**BD**”) based on risk assessment. For Category 2 buildings, BD will exercise its statutory power to arrange consultants and contractors to carry out the necessary works on behalf of the owners.

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Application Notes (For Category 1 Buildings Only)

1. Eligibility Criteria

A building participating in OBB2.0 must meet the following criteria:

- 1.1 The building is a private residential or composite (commercial & residential) building (including a building held by a Civil Servants' Co-operative Building Society ("CBS")) aged 50 or above as of 31 October 2018 according to the Occupation Permit, i.e. the date of the Occupation Permit shall be 31 October 1968 or before;
- 1.2 The average annual rateable value of the domestic units in the building shall not exceeding the limit as stated in item 2(b) of Appendix I to the Integrated Building Rehabilitation Assistance Scheme ("IBRAS");
- 1.3 The building owners have received statutory notice(s) or pre-notification letter(s) issued by BD for mandatory inspection of the common parts of the building, but the compliance letter(s) confirming the completion of the prescribed inspection and prescribed repairs (if necessary) and that the works carried out has met the MBIS requirements had not been issued by BD as of 11 October 2017; and
- 1.4 Repair works contract must be procured through URA's paid service known as "Smart Tender Building Rehabilitation Facilitating Services Scheme" ("**Smart Tender**"). If owners have invited tenders for repair works contracts as of 20 December 2017, the process shall be verified by URA that it conforms to the requirements of the Building Management Ordinance (Cap. 344) and/or the Deed of Mutual Covenant of the building ("**DMC**") (if applicable).

2. Application Period and Methods

- 2.1 The completed application form and necessary supporting documents must be returned to URA on or before 31 October 2018 by any of the following methods:
 - (a) **On-line application:**
Link: <http://www.buildingrehab.org.hk/eapplication>
(The time of receipt of an on-line application will be adopted as the submission time of that application)
 - (b) **By post** to the following address:
Unit 1001, 10/F, Tower 2, Cheung Sha Wan Plaza, 833 Cheung Sha Wan Road, Kowloon
(Date of the stamp chop will be adopted as the submission date of application)

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- (c) **Submit in person** to the following address (Submission date is determined by the date of the receipt of the form signed by URA):

URA Offices & Centres		
URA Office	Address	Office Hours (Closed on Sunday and Public Holidays)
Headquarters	26/F, COSCO Tower, 183 Queen's Road Central, Hong Kong	Monday to Friday 8:45 am - 6:00 pm
Building Rehabilitation Office	Unit 1001, 10/F, Tower 2, Cheung Sha Wan Plaza, 833 Cheung Sha Wan Road, Kowloon	Monday to Friday 8:45 am - 12:30 pm/ 1:30pm - 6:00pm
Urban Renewal Resource Centre	1/F, 6 Fuk Tsun Street, Tai Kok Tsui, Kowloon	Monday to Friday 10:00am - 7:00pm/ Saturday 10:00am - 6:00pm
Kwun Tong Neighbourhood Centre	Unit C, 1/F, Yue Wah Mansion, 34-62 Yue Man Square, Kwun Tong, Kowloon	Monday to Friday 8:45am - 1:00pm/ 2:00pm - 6:00pm
Sham Shui Po Neighbourhood Centre	Shop C, G/F, 182 Fuk Wa Street, Sham Shui Po, Kowloon	
Kowloon City Neighbourhood Centre	Units K & L, 1/F, Sunshine Plaza, 17 Sung On Street, Hung Hom, Kowloon	

3. Submission of Application Form and Supporting Documents

- 3.1 If an owners' corporation ("OC") has been formed, the OC shall be the Applicant when submitting the application to URA.
- 3.2 For buildings without an OC (including those held by CBS), all owners collectively or the CBS (as the case may be) shall be the Applicant when submitting the application to URA. Please read the "Application Notes for building without Owners' Corporation" in Annex I to the IBRAS Application Form for the application requirements and details.
- 3.3 The Applicant is required to submit the following documents to URA within the application period:
- (a) A duly completed and signed **IBRAS Application Form** ("Application Form"); and
 - (b) (If an OC has been formed) Copies of the meeting notices and minutes of the owners' meeting passing the following resolutions:
 - (i) To resolve on the application for "Operation Building Bright 2.0";
 - (ii) To authorise the OC to be the Applicant and at least two committee members of the Management Committee or the Manager appointed in accordance with

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- DMC as the Applicant’s Representatives to sign the Application Form and all other documents related to “Operation Building Bright 2.0”;
- (iii) To carry out prescribed inspection and repair works (“**the Works**”) for common parts of the building under MBIS and Mandatory Window Inspection Scheme (MWIS) (the Works must comply with the “**Use of Subsidy**” in Paragraph 4 of this Application Notes);
 - (iv) To apportion all costs and expenditure relating to the Works among all owners of the buildings in accordance with DMC or the relevant provisions in the Building Management Ordinance (Cap. 344);
 - (v) To resolve on paying for and joining URA’s Smart Tender ^{Note 1} (if applicable) for the Works (Please refer to “AN-ST” for details);
 - (vi) To authorise the Applicant to receive subsidies from URA under “Operation Building Bright 2.0” on behalf of all eligible owners.

Note 1: For the resolutions required for joining Smart Tender, please refer to Paragraph 4.2.3 of “AN-ST”

The above resolutions must be passed on or before the date of submission of the application in accordance with the Building Management Ordinance (Cap. 344) and the DMC. For buildings without OC (including those held by CBS), please refer to “Application Notes for building without Owners’ Corporation” in Annex I to the IBRAS Application Form for the details of the resolutions required to be passed.

- (c) A copy of the Certificate of Registration of OC / Certificate of Registration of a Society / Certificate of Registration and by-laws of CBS (if applicable);
- (d) A copy of Statutory Notice(s) or pre-notification letter(s) issued by BD for mandatory inspection of common parts of the building; and
- (e) If inspection or repair works of the building is/are underway, the Applicant must submit copies of the following documents to URA within the application period:

Progress	Necessary Supporting Document
(i) Consultant appointed	Consultancy Service Contract
(ii) Contractor appointed	Works Contract

- 3.4 If the documents set out in items 3.3(b) and (e) above are not submitted together with the Application Form, they shall be submitted to URA within the application period, otherwise the approval of the application may be affected.
- 3.5 After the closing date for application , URA will prioritise all applications based on the factors as adopted by the Steering Committee of OBB 2.0.
- 3.6 If a building/ estate having more than one OC/DMC intends to engage the same Registered Inspector (“**RI**”) and qualified registered contractors to carry out the inspection and repair works, each Applicant is required to complete its own application form but the Applicants may submit their completed forms jointly. URA will consider them as a joint application to decide the priority. URA has the right to determine what constitutes “a building/ estate” and reserves the right to accept any joint application or not.

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- 3.7 Each Applicant can only submit one Application Form for his building. If an Applicant submits more than one Application Form, URA has the right to reject all applications submitted by such Applicant.
- 3.8 Upon receiving the Application Form, URA will acknowledge receipt thereof in writing.

4. Use of Subsidy

4.1 Common Parts of the Building

- 4.1.1 The subsidy must first be used on the prescribed inspection and repair works for the common parts of the building under MBIS and MWIS. All works must be carried out in compliance with the relevant legal requirements.
- 4.1.2 After paying for the “Priority Works” mentioned in Paragraph 4.1.1 above, the remaining part of the subsidy can be used for the following building repair works, which are within the scope of URA's “Common Area Repair Works Subsidy” (“CAS”) but do not fall within the category of “Priority Works”, including:
- (a) Fire safety improvement works, such as means of escape, means of access for fire-fighting & rescue and fire resisting construction;
 - (b) Provision of, improvement to and maintenance of fire service installations and equipment of the building;
 - (c) Removal of unauthorised building works and illegal rooftop structures;
 - (d) Improvement of building and sanitary services, e.g. repairing, maintaining and replacing lifts, fire services installations and equipment, electrical installations, gas risers and communal aerial system, and replacing defective fresh water pipes;
 - (e) Repair of water-proofing membranes at rooftops and flat roofs and works to alleviate water seepage problem;
 - (f) Provision, improvement and repair of common water tanks;
 - (g) Repair or replacement of defective metal works/carpentry;
 - (h) Provision, improvement and repair of barrier free access and facilities;
 - (i) Provision, improvement and repair of security system of the building;
 - (j) Maintenance works for slopes or retaining walls around the building; and
 - (k) Application of environmental friendly material in repair works and installation of green/ environmental friendly facilities or fittings.
- 4.1.3 The inspection, professional services and any associated or follow-up works arising from the works mentioned in Paragraph 4.1.1 and 4.1.2 above may also be subsidised.

4.2 Private Projecting Structures

- 4.2.1 Apart from mandatory inspection and repair works for the common parts of the buildings, Statutory Notices will also be issued to owners of individual premises requesting them to inspect and repair their private projecting structures. In this regard, OBB 2.0 offers subsidies to the owner-occupiers of the participating buildings for inspection and repair works for their private projecting structures.

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Eligible owner-occupiers are required to make their own applications to URA. Please refer to “AN-OBB2.0(OO)” for details.

5. Target Beneficiaries and Level of Subsidy

5.1 Once the application is approved, the owner-occupiers may apply for the subsidies as set out below:

- (a) For prescribed inspection and repair works for common parts of the buildings (which meet the requirements set out in Paragraph 4.1 of this Application Notes)

Owner-occupied unit	Level of Subsidy
Owner-occupiers	80% of the cost of the relevant works, subject to a cap of HK\$40,000 per unit
Elderly owner-occupiers [aged 60 or above (as indicated on the Hong Kong identity cards) on or before the application deadline as stated in Paragraph 6.7 in “AN-OBB2.0(OO)”]	100% of the cost of the relevant works, subject to a cap of HK\$50,000 per unit

- (b) For prescribed inspection and repair works for private projecting structures (which meet the requirements set out in Paragraph 4.2 of this Application Notes)

For owner-occupiers of the buildings approved for carrying out prescribed inspection and repair works for common parts of the buildings under OBB 2.0, they may apply for the following subsidy if needed:

Owner-occupied unit	Level of Subsidy
All owner-occupiers	50% of the cost of the relevant works, subject to a cap of HK\$6,000 per unit

5.2 Eligible owner-occupiers **shall fill in and submit the “IBRAS Application Form for Owners of Individual Premises”** to URA within the application period specified in “AN-OBB2.0(OO)”.

5.3 For CBS buildings approved for participating in OBB 2.0, members of the CBS may apply for subsidies for owner-occupiers/elderly owner-occupiers mentioned in Paragraph 5.1 above for their units.

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6. Other Subsidies

- 6.1 Eligible buildings may apply for subsidies under CAS and “Mandatory Building Inspection Subsidy Scheme” (“**MBISS**”) simultaneously for the owners of non-owner-occupied units. After receiving the subsidies specified in item 5.1(a) above, the owner-occupiers shall not be entitled to the subsidies under CAS and MBISS for the works concerned. The subsidy amount / maximum subsidy for a building under CAS and MBISS will be accordingly reduced in proportion to the number of owner-occupiers being subsidised under OBB2.0.
- 6.2 If the building is eligible for the Fire Safety Improvement Works Subsidy Scheme (“**FSW Scheme**”), the Applicant may make the application simultaneously. However, the relevant fire safety improvement works shall not duplicate with those approved under OBB 2.0. Please refer to “AN-FSWS” for details.

7. Procedures and Requirements for Approval

- 7.1 Each Applicant eligible for OBB 2.0 will receive an “Approval-in-Principle Letter” (“**AIP Letter**”) issued by URA and shall sign an agreement and a letter of undertaking and shall take the initiative to organise the inspection and repair works in accordance with the guidelines and requirements of OBB 2.0.
- 7.2 Except for the situation mentioned in Paragraph 1.4 above, the Applicant must appoint a RI (or a consultancy firm which can provide relevant services) via Smart Tender for the prescribed inspection and organising the necessary prescribed repair works, and appoint qualified registered contractors via Smart Tender to complete the relevant works within the specified timeframe. All tender procedures shall comply with the requirements of Smart Tender, the Building Management Ordinance (Cap. 344) and OBB 2.0.
- 7.3 If the Applicant has already appointed a RI or a consultancy firm for carrying out the prescribed inspection and organising repair works for the common parts of the building before submission of the Application Form, such RI or consultancy firm appointed shall sign a “Letter of Undertaking” acknowledging its agreement to observe URA's requirements for the application and OBB 2.0, or otherwise no funding will be granted for the relevant works.
- 7.4 If the Applicant has already completed the procurement for the inspection and/or repair works referred to in Paragraph 4.1.1 and/or 4.1.2 above before submission of the Application Form, and such procurement has failed to comply with the requirements of the Building Management Ordinance (Cap. 344) and/or DMC (if applicable), the Applicant shall arrange rectification of the procurement procedure, otherwise the Applicant shall not be eligible to apply for OBB2.0. Any additional expenses or losses resulted from the rectification of the procurement procedure, including but not limited to compensation for the termination of existing services, shall not be subsidised by OBB 2.0 and the Applicant shall be responsible for the same.
- 7.5 The successful Applicant for subsidies under OBB 2.0 shall complete the prescribed inspection and repair works as requested under MBIS and MWIS in accordance with the schedule stipulated in the AIP Letter issued by URA. Under normal circumstances, the Applicant shall appoint a qualified registered contractor and commence the works within 24 months from the date of issue of the AIP Letter.

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- 7.6 The Applicant shall submit the required documents on time to allow URA to examine the progress and determine whether the works have been carried out in compliance with the relevant guidelines and requirements. If the Applicant fails to comply with Paragraph 7.5 above or the requirements under OBB 2.0 without any reasonable explanation, the AIP Letter granted to the building may be revoked.
- 7.7 Unless the Applicant has already appointed the RI/consultant or the qualified registered contractor before the commencement of application period for OBB 2.0, the Applicant shall prepare the service contract for RI/consultant and the contract for repair works in accordance with the guidelines issued by URA and shall submit supporting documents as required by URA at different stages, failing which the process of verification and appropriation of funds could be affected. For the requirements for supporting documents, those stipulated in the AIP Letter and DIY tool-kits of Smart Tender shall prevail.
- 7.8 Unless the Applicant has already appointed the RI/consultant or the qualified registered contractor before the commencement of application period for OBB 2.0, the Applicant shall insert “Probity and Anti-collusion Clauses”, “Ethical Commitment Clauses”, and “Non-collusion Clauses and Non-collusive Tendering Certificate” including provisions relating to prohibition of acceptance of advantage and declaration of conflict of interest etc. in the tender documents and consultancy and works contracts. If the RI/consultant or the qualified registered contractor has been appointed before the commencement of application period for OBB 2.0, the Applicant shall still be required to submit a “Confirmation Letter for Probity and Anti-collusion Clauses”, a “Declaration Form for Ethical Commitment Clauses” and a “Non-collusion Clauses and Non-collusive Tendering Certificate” duly signed by the RI/consultant or the qualified registered contractor appointed.
- 7.9 Staff members or representatives of URA will assess the intended work items and the cost estimates, the quotations and the progress of works before and during the works. The Applicant shall assist and facilitate the staff members or representatives of URA to carry out site inspection of common areas of the building.
- 7.10 For the calculation of the subsidy amount, if the contract sum of the subsidised work items is greater than the estimate made by the independent professional consultant engaged by URA, URA shall determine the subsidy amount based on such estimate by its independent professional consultant. Otherwise, the subsidy amount shall be determined based on the contract sum of the subsidised work items.
- 7.11 If works have been commenced/completed/concealed prior to the submission of the application such that on-site verification of completion of the works is impossible, the Applicant shall submit all documentary proofs for such works to URA for checking, or otherwise the subsidy related to such repair items shall be deducted accordingly.
- 7.12 In case of any material variation to the contract terms or repair costs (whether it is an addition or a reduction), the Applicant shall notify URA as soon as possible in writing and submit relevant documents for approval, otherwise the subsidy amount will be affected. Material variation refers to any changes in sum that is likely to exceed HK\$200,000 or 20% of the OC’s annual management budget, which require a resolution passed in an owners’ meeting convened under the Building Management Ordinance (Cap.344).

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- 7.13 In case of any disputes relating to the eligibility for application or release of subsidy, the decision of URA shall be final and conclusive.
- 7.14 Notwithstanding any contrary provision contained in this Application Notes, and whether or not the AIP Letter has been issued, URA has the right to reject the application, to stop payment of subsidies, to recover any subsidies released or to adjust the subsidy amount at any stage on reasonable grounds or in reasonable circumstances and the Applicant shall raise no objection.
- 7.15 All buildings participating in OBB 2.0 will be automatically registered for the “RenoSafe Scheme” operated by the Hong Kong Police Force to enjoy the various services offered under the “RenoSafe Scheme”.

8. Release of Subsidy

Subsidy for Common Parts of Buildings

- 8.1 The Applicant shall apply to URA for release of subsidy by phases (up to 4 phases) according to the progress of works for payment of the costs of inspection and repair works for common parts of the building covered by OBB 2.0. The amount of subsidy to be released by URA in each phase will be calculated according to the percentage of the completed eligible work items covered by OBB 2.0. Consultancy fee can be included in the above subsidy release application during the contracting period. The Applicant shall give a written undertaking and distribute the subsidies to owner-occupiers approved to participate in OBB 2.0 in accordance with the funding allocation form provided by URA. In exceptional cases, URA has the right to release the relevant part of the subsidies to an owner-occupier directly.
- 8.2 In general, URA will arrange for release of the subsidy within 30 days after receiving all required documents.

9. Notes

- 9.1 URA is a public body under the regulation of the Independent Commission Against Corruption (ICAC) and the Office of The Ombudsman, Hong Kong. Any incident suspected to be related to corruption shall be reported to ICAC immediately.
- 9.2 URA is a public body as defined in the Prevention of Bribery Ordinance and all staff members of URA are subject to the said Ordinance and are not allowed to solicit and accept any forms of advantages (monetary or otherwise) from customers, contractors, suppliers, RIs or any other person. For the appointment of RIs, project consultants and contractors for the building repair works, staff members of URA shall only provide general guidance and are prohibited from taking part in any form of actions leading and influencing the Applicant in the selection of RIs, project consultants and contractors (excluding the services arranged by URA under Smart Tender).
- 9.3 The application form and this Application Notes are not legally binding on URA. URA is not liable to any person for any loss or damages which may be incurred or sustained by relying on any information contained in the application form and this Application Notes.

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- 9.4 URA reserves the right to modify the above contents at any time without prior notice. The web version shall prevail should there be any changes. Please refer to “Building Rehab Info Net” (www.buildingrehab.org.hk) for the latest version.
- 9.5 Any wilful misrepresentation or omission may lead to disqualification and court proceeding. The Applicant is reminded that it is a criminal offence to obtain any pecuniary advantage by deception.

Enquiry Hotline: 3188 1188

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List of Abbreviations

Application Notes for Building (Applicable to Owners' Corporation / Owners' Organisation / Representatives of all owners)

Abbreviation	Application Notes
AN-CAS	Application Notes for Common Area Repair Works Subsidy
AN-OBB2.0(Bldg)	Application Notes for Operation Building Bright 2.0 (Applicable to Owners' Organisation of Category 1 Building)
AN-FSWS	Application Notes for Fire Safety Improvement Works Subsidy Scheme
AN-ST	Application Notes for Smart Tender Building Rehabilitation Facilitating Services
AN-MBISS	Application Notes for Mandatory Building Inspection Subsidy Scheme

Application Notes for Individual Flat Owner

Abbreviation	Application Notes
AN- OBB2.0(OO)	Application Notes for Operation Building Bright 2.0 (Applicable to Owner- Occupier)
AN-HRIL	Application Notes for Home Renovation Interest-free Loan
AN-HLHG	Application Notes for Home Renovation Hardship Grant
AN-CASHG	Application Notes for Common Area Repair Works Hardship Grant
AN-BSLS	Application Notes for Building Safety Loan Scheme
AN-BMGS	Application Notes for Building Maintenance Grant Scheme for Elderly Owners