

Land administrative measures to support enterprises in response to challenges arising from the epidemic

The Government announced on April 8, 2020 a series of measures to strengthen the support for enterprises in response to challenges arising from the COVID-19 epidemic. The Lands Department (LandsD) will take forward the following land administrative measures in the short term.

In accordance with the multiple rounds of measures in support of enterprises launched in 2019 and those announced in the Budget for 2020-21, short-term tenancies (STTs) and waivers for varying the terms of land grants for prescribed business and community uses under the LandsD have been granted 50% rental or fee concession from October 2019 to September 2020.

Under the new round of support measures, the LandsD will provide additional rental or fee concessions for STT tenants and waiver holders, with details as follows:

(1) for the around 5 000 eligible STT tenants and waiver holders already enjoying the previous concession, such as catering facilities, shops, workshops, public fee-paying carparks, welfare facilities, etc., the rental or fee concession rate will increase to 75% from April to September 2020;

(2) the above 75% concession arrangement will be extended to businesses not covered previously, such as depots for public transport operators, public utilities, petrol filling stations, driving schools, advertising facilities, etc., effective for the same period from April to September 2020, benefiting an additional 950 STT tenants and waiver holders;

(3) if the above STT tenants and waiver holders are ordered to close or have chosen to close due to the Government's closure orders or other restrictions for safeguarding public health under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F), they may further apply to the LandsD for full rental or fee concession for the duration of closure.

The LandsD will progressively issue written notifications to eligible STT tenants and waiver holders on the above concession measures and their implementation details, including the treatment of rentals or fees already paid and the application arrangements for full concession.

In addition, noting that the COVID-19 epidemic poses challenges to lot owners' timely completion of development projects according to the Building Covenant (BC) under land lease, under the newly announced measures the LandsD will offer extension of the BC period at nil premium for up to six months for

leases with BC not yet discharged as at April 8, 2020, so as to help development projects with construction progress affected by the epidemic. The LandsD will promulgate a Practice Note to be uploaded onto its website by end-April to announce the application arrangements for lessees, and process the received applications through simple procedures.