

**Program for the Joint Construction of Offices for Subordinate Units of the National Taxation
Bureau of Kaohsiung of the Ministry of Finance and the Occupational Safety and Health
Administration of the Ministry of Labor**

I. Background

1. Analysis of the Current State of Office Use

(1) Sanmin Branch

A. Analysis of the current state

- (A) As of 2003, business taxes are levied independently by the National Taxation Bureau. The fact that the Sanmin Branch took over the personnel in charge of business taxes (a total of 36 employees and contracted personnel) and relevant taxation information led to a serious shortage of office space. Upon discussions with the Kaohsiung City Government, the branch rented further office space in the Sanmin District Civic Activity Center (6F, No. 468, Dashun 2nd Rd.) and storage space in a residential building (3F, No. 81, Chaha'er 2nd Street). Since available space was still insufficient, the branch borrowed storage space at a non-public-use, publicly-owned housing at 10F, Nos. 470 and 472, Cisian 2nd Rd., Yancheng Dist. from the Southern Region Branch, National Property Administration of the Ministry (hereinafter referred to as Southern Branch NPC)
- (B) The Sanmin Branch has a prescribed staff of 109, a total usable area of 4,241 m², with the first and second office covering an area of 1,550 m² and 1,890 m², respectively. The borrowed storage area in the non-public-use building amounts to 509 m², and the rented storage space in the residential building covers 292 m².
- (C) Due to budget constraints, the lease for the aforementioned residential building that expired on December 31, 2013 was not renewed. The taxation information which was originally stored at this location was transferred to existing office space at the Sanmin Branch and other storage areas of the National Taxation Bureau of Kaohsiung, Ministry of Finance. This led to more congested office space at the Sanmin Branch and other branches and offices.

B. Encountered problems

(A) Issues affecting service quality

- i) Two newly established office locations are not-reachable on foot (about 15 minutes' ride). Since direct mass transportation connections are not available, visitors must rely on the public bus system or shuttle services to reach the offices. Bus waiting times are long, and citizens have to head into different office locations for different taxation services. Tiring trips, longer processing times, and higher risks have led to complaints by the public.
- ii) Insufficient service space, lack of space for a counseling room at the reviewing unit, and lack of an appropriate reception area for processing of complaints

and petitions and handling of tax negotiations have a substantial impact on service quality.

- iii) Inadequate office layouts lead to frequent complaints by the public due to planning difficulties and makeshift solutions for document submission locations that affect relevant processing operations during income tax return filing periods. Public service performance and quality cannot be enhanced due to the lack of adequate conference rooms for the organization of workshops on tax collection laws and practices.
- iv) Due to the fact that there are two different office locations, multifunctional service counters and tax filing and document submission locations must be set up at two different locations, which requires twice as much manpower and leads to manpower allocation difficulties. Due to lease constraints, convenient one-stop services cannot be provided, which in turn affects service quality.

(B) Issues affecting administrative efficiency

- i) The fact that service volume constantly increases and a large number of citizens apply for public services leads to space shortages despite documents being destroyed every year in accordance with relevant regulations.
- ii) The fact that office space is insufficient and split up affects staff cohesion and morale.
- iii) Despite the fact that e-government initiatives in recent years have reduced the need to head into physical office locations, non-employed, middle-aged, and senior citizens still prefer to personally apply for public services at physical counters. The number of applications submitted at counters therefore reached a staggering 121,320 in 2016. Most citizens still believe that it is necessary to handle the numerous taxation cases that involve a high level of professionalism personally at service counters. For instance, the number of cases involving gift and estate tax declarations reached 3,718 in 2016.

C. Solutions

Based on the aforementioned observations, it is evident that an adequate amount of self-owned office space is the best solution for the issues stated above. A detailed description is provided below :

- (A) Dingsin military base, located in the longitudinal center of Sanmin District, is managed by the Ministry of National Defense. It is land reserved for agency use as defined in the urban plan. This densely populated commercial cluster is an ideal location for offices and would provide greater convenience for Sanmin District residents when applying for taxation services.
- (B) The Ministry of National Defense agreed in an official letter issued on August 13, 2012 to the appropriation of a small plot of national land covering 2,995.83 m² (cadastral numbers 1263-0001 and 1260-0004) located in the Dingtai Section, Sanmin District, Kaohsiung City in accordance with relevant regulations set forth in the National Property Act. The Branch applied for appropriation of said land on September 6, 2012. The application was approved in Official Letter Yuan-Shou-

Cai-Chan-Gong Zi No. 10200051160 issued by the Executive Yuan on February 27, 2013 upon forwarding by the Ministry on March 15, 2013. Completed registration by the administration authority is on record. Due to change of original use, appropriation without compensation was approved in Official Letter Yuan-Shou-Cai-Chan-Gong-Zi No. 10600380800 issued by the Executive Yuan on December 11, 2017.

- (C) It was originally planned to earmark 4,125 m² (accounting for 44% of the total floor area above ground) of the land for use as storage space by other subordinate units to ensure the most efficient use of the total floor area of this construction plan. The revised plan stipulates the construction of a jointly used office building in cooperation with other public agencies. The branch will search for a separate location for centralized storage of taxation information in a –publicly-owned vacant building or warehouse to enhance land use efficiency and realize budget austerity.
- (D) Upon official inquiry, the Southern Region Branch of the National Property Administration, the Agency Against Corruption of the Ministry of Justice, the Occupational Safety and Health Administration of the Ministry of Labor, the Southern Investigation Office of the Agency Against Corruption, and the Southern Occupational Safety and Health Center expressed strong interest in the joint construction of an office building. On November 3, 2015, a preparatory meeting for the joint construction project was convened to build a consensus on relevant issues. The project was officially named “Program for the Joint Construction of Offices for Subordinate Units of the National Taxation Bureau of Kaohsiung of the Ministry of Finance, the Agency Against Corruption of the Ministry of Justice, and the Occupational Safety and Health Administration of the Ministry of Labor”. Approval in principle in Official Letter Yuan-Tai-Cai-Zi No. 1050025511 issued by the Executive Yuan on June 13, 2016 is on record. However, the Agency Against Corruption of the Ministry of Justice notified the other parties of the termination of its participation in the construction program in Official Letter Lian-Mi-Zi No. 10500383630 issued on December 21, 2016. The National Property Administration of the Ministry of Finance was promptly requested to provide a list of central government agencies that rent office space covering an area of 1,000 m² or more in Tainan City, Kaohsiung City, and Pingtung City in 2016 to ensure continuation of the project with equal emphasis on budgeting and land use efficiency. Except for subordinate units of the National Taxation Bureau of Kaohsiung, it has been determined upon consultation that other units are not eligible for inclusion in the program involving joint construction of shared office areas since their space demands or design requirements fail to meet relevant criteria. However, the Third Company of the Third Corps of Special Police Seventh Headquarters, National Police Agency (hereinafter referred to as “Special Police Seventh HQ 3rd Company”) has stated its intention to search for publicly-owned housing for appropriation without compensation or long-term rental in consideration of mission characteristics and funding sources based on floor area optimization concepts. Usable floor space has therefore been added to the currently rented space of Special Police Seventh HQ 3rd Company with a view to facilitate future handover and appropriation by the National Property Administration for eligible units with needs for office space.

(2) Southern Occupational Safety and Health Center

- A. Formerly known as the Labor Inspection Committee of the Taiwan Provincial Government (Kaohsiung Labor Station), the Center was established on January 15, 1988 with an original manpower of only 15. The original office with a total floor area of only 404 m² (land area of 264 m²) was constructed in 1979. It was situated in a 4-meter-wide alley which was highly inconvenient for local citizens due to bad traffic connections. In the wake of the allocation of additional manpower, six floors of existing office space covering a total area of around 2,800 m² (including 12 parking spaces) was rented from Cathay Life Insurance to alleviate office congestion. The average annual rent amounts to roughly NT\$ 5.6 million. By 2015, total rent payments had exceeded NT\$ 80 million. These rent expenses take up a significant portion of the center's allocated budget and the accumulated rent payments are equivalent to the price of self-owned office space. Upon organizational reforms in 2014, manpower was increased to 72 which led to cramped office areas and a lack of available parking spaces in the current office building, which in turn caused inconvenience for citizens wishing to apply for public services at the center.
- B. Based on the aforementioned observations, it is evident that an adequate amount of self-owned office space is the best solution for the issues stated above. It has been determined that the existing office space of the agencies under direct jurisdiction of the Ministry of Labor (e.g., Kaohsiung-Pingtung-Penghu-Taitung Regional Branch of the Workforce Development Agency) is already fully occupied and that no existing space is available for allocation.

2. Confirmation of the availability of suitable office space

- (1) The National Taxation Bureau of Kaohsiung initiated the planning operations for the acquisition/construction of office space for the Sanmin Branch in 2004. Upon inquiries with the Southern Region Office of the National Property Administration, it was determined that no non-public-use, publicly-owned building that meets the office space demands of the Sanmin Branch is available for appropriation in the Sanmin District. For the sake of caution, another official request for the provision of suitable space for office use was submitted on November 16, 2015. However, the Administration replied that suitable office space was still not available.
- (2) The Occupational Safety and Health Administration of the Ministry of Labor has previously sent official correspondence to the Southern Region Office of the National Property Administration to inquire about suitable buildings available for transfer. The Southern Region Office replied that there was no building that met the needs of the Southern Occupational Safety and Health Center. In line with traffic convenience principles, a survey has been conducted on self-owned or rented office space belonging to relevant agencies or state-run enterprises (such as Taipower) in adjacent areas (including Kaohsiung City areas prior to the merge with Kaohsiung County, Fongshan District, Niasong District, Renwu District, and Ciaotou District). The results of this survey indicate that no suitable buildings are available for appropriation.

II. Objectives

1. Description of objectives

- (1) Planning of an optimized service space with adequate facilities to ensure conformity to obstacle-free building requirements stipulated in the Building Technical Regulations and provide a friendly office environment for disabled citizens and employees with the ultimate goal of offering top-quality services for all citizens.
 - A. Setup of independent breastfeeding facilities and restrooms for parents with infants
 - B. Reasonable planning of female-to-male restroom ratios and toilet space
 - C. Setup of independent gender-neutral and obstacle-free restrooms and obstacle-free facilities.
 - D. Setup of waiting rooms for parents with infants
- (2) Planning of an appropriate office environment to enhance employee morale and thereby facilitate personnel and information management and increase administrative efficiency.
- (3) Adoption of friendliness and safety as key planning concepts for buildings and facilities to prevent potential hazards (including decreased manhole cover gaps, adoption of underground drainage ditches, clear marking of elevators, and warnings about gaps of staircase handrails). Where other stakeholders are involved, ultimate emphasis is placed on convenient and reasonable use, location safety, elimination of dead angles, and safety, comfort, and convenience for both genders and individuals with special needs (especially elderly, weak, or mentally/physically disabled citizens as well as women and children), and creation of gender-friendly facilities.
- (4) Proper planning of the Southern Occupational Safety and Health Center service space including a labor grievance center and counseling room to give citizens a deep perception of the good intentions of the government in the field of service provision. Parking spaces are provided to increase the convenience of workers during application for public services. In addition, a large meeting room has been created for the organization of larger-scale information meetings or seminars on labor laws to raise awareness of occupational safety and health among the public.
- (5) Increase of investments in urban public goods and promotion of changes of urban land use pattern to attract investments in commercial activities and thereby stimulate industrial and economic development, change the distribution of the urban population and increase employment opportunities, and raise the relative price of real estate in adjacent areas to increase the wealth of local citizens and maximize the economic benefits of national land use.

2. Objective achievement constraints

This construction program requires the allocation of an annual budget. Program progress is affected if such budgets are not allocated.

3. Performance indicators, metrics, and target values

- (1) Program management

Metric: Implementation status of work items (annual and general plans) [progress calculation criterion: workload; progress comparison: actual progress (B)(%) – projected progress (A)(%)]

Target value: B - A ≥ -10

- (2) Fund utilization management

Metric: Budget achievement rate (Actual capital expenditures in the current year + Outstanding capital expenditures + Capital surplus) ÷ (Gross capital budget) × 100% (the above figures include original budgets and supplementary budgets of the current year and encumbrances of previous years)

Target value: > 93%

(3) Project progress management

Metric: Progress management carried out in accordance with the construction plan

Target value: Quarterly progress > 90%

(4) Construction quality management

Metric: Total points deducted due to project quality deficiencies detected by the project audit task force [= Points deducted for the authority in charge (project management vendor) (QA1) + Points deducted for the supervising unit (QA2) + Points deducted for contractor (QB) + Points deducted for construction quality (W)]

Target value: Total deduction of 15 points or less

(5) Gender participation status

Metric: Gender participation ratio during plan deliberation, decision-making and execution

Target value: -Gender ratio at 1/3 or above at any stage

(6) Satisfaction levels of beneficiaries or service recipients

Metric: Upon initiation of operations (survey conducted in the following year if less than 183 days of operations in the current year), ratio of satisfied or very satisfied beneficiaries or service recipients to total number of respondents (Number of satisfied or very satisfied respondents ÷ Total number of respondents × 100%)

Target value: Male/female satisfaction level of > 80%

III. Review of Existing Policies and Solutions

1. Contents of existing policies and solutions

(1) Ministry of Finance

- A. An Operations Plan and Progress Chart for Planning Task Forces for the Purchase or Construction of Offices by Taxation Bureaus in Different Regions was developed to solve the shortage of office space for taxation bureaus in northern, central, and southern Taiwan. The 1st stage of the program titled “Program for the Purchase and Construction of Offices by the Taxation Bureaus and Subordinate Branches and Offices in Northern, Central, and Southern Taiwan” was formulated and approved upon reporting to the Executive Yuan as per Official Letter 89-Cai No. 12381 issued by the Executive Yuan’s Secretary-General on May 3, 2000.
- B. The aforementioned program encompassed 12 sub-programs for the purchase and construction of offices by the National Taxation Bureau of the Northern Area and its subordinate Taoyuan and Jhubei Branches, the National Taxation Bureau of the Central Area and its subordinate Mincyuan, Jhushan, and Puli Offices, and the National Taxation Bureau of the Southern Area and its subordinate Pingtung Branch and Minsyong, Cishan, Gangshan, and Chaozhou Offices. These were implemented over a period of nine years (from the second half of 1999 and 2000 until 2008) with total funds amounting to NT\$ 3,862,771,000.
- C. Upon review of the implementation status of the first stage of the aforementioned program, an order of priority and projected annual budget amount of the Ministry were determined with reference to the Meeting for the Selection of Offices to be Purchased or Constructed by Taxation Bureaus in Different Regions. The 2nd stage of the program titled “Program for the Purchase and Construction of Offices by the Taxation Bureaus and Subordinate Branches and Offices in Northern, Central, and Southern Taiwan” was formulated and

approved upon reporting to the Executive Yuan as per Official Letter Yuan-Tai-Cai-Zi No.0950039009 issued by the Executive Yuan on August 17, 2006.

- D. The aforementioned 2nd stage of the program encompasses 10 sub-programs for the purchase and construction of offices by the Yangmei, Banciao, Hualian, Kinmen, Yilan, and Dasi Branches of the National Taxation Bureau of the Northern Area, the Beigang and Shalu Offices and Fongyuan Branch of the National Taxation Bureau of the Central Area, and the Penghu Branch of the National Taxation Bureau of the Southern Area. These were implemented over a period of eight years (from 2006 until 2013) with total funds amounting to NT\$ 2,975,645,000.
- E. In addition to the first and second stages of the program, the Ministry also formulated a Program for the Acquisition of an Office for the Sijhih Service Station of the Rueifang Office, National Taxation Bureau of the Northern Area and a Program for the Acquisition of an Office for the Cidu Office, National Taxation Bureau of the Northern Area. In the context of these programs, administrative building(s) were constructed in cooperation with the Sijhih District Office and Keelung City Government. Acquisition of office space was realized through sharing of project costs. Program periods ran from 2005 to 2007 and from 2011 to 2012 with total funds amounting to NT\$ 128 million and NT\$ 116.405 million, respectively.
- F. The Program for Construction of an Office for the Miaoli Branch of the National Taxation Bureau of the Central Area was approved upon reporting to the Executive Yuan as per Official Letter Yuan-Tai-Cai-Zi No. 0990063905 issued by the Executive Yuan on November 19, 2010. The program was implemented over a period of four years (from 2011 to 2014) with total funds amounting to NT\$ 384.507 million.
- G. The Ministry also organized Programs for the Acquisition of an Office for the Jhonghe Office by the National Taxation Bureau of the Northern Area and Construction of an Office for the Nantou Branch of the National Taxation Bureau of the Central Area. Program periods ran from 2013 to 2017 and from 2015 to 2019 (to be executed evenly for five years) with total funds amounting to NT\$ 266.538 million and 231.814 million, respectively.
- H. The National Taxation Bureau of the Northern Area organized a Program for the Acquisition of an Office for the Luodong Office. The program is implemented over a period of six years (from 2016 to 2021) with total funds amounting to NT\$ 262.033 million

(2) Occupational Safety and Health Administration of the Ministry of Labor

The Administration has been renting its current office space from Cathay Life Insurance since 2000 (the rent was renegotiated and contracts renewed twice during the period). The rented office area covers six floors (around 2,800 m²) and includes 12 parking spaces. The average annual rent amounts to NT\$ 5.6 million.

2. Review of program execution

(1) Ministry of Finance

- A. The first stage of the program titled “Program for the Purchase and Construction of Offices by Taxation Bureaus and Subordinate Branches and Offices in Northern, Central, and Southern Taiwan” has been completed as scheduled. However, execution did not proceed in a smooth manner mainly for the following reasons:
 - (A) Construction site conditions were complicated at the Northern Taxation Bureau (including the Taoyuan Branch), which in turn delayed the acquisition of a construction permit.
 - (B) National Taxation Bureau of the Central Area
 - i) The purchase and construction program was constantly revised in line with policy

and legal changes.

- ii) In December 2002, detailed designs and drawings were completed and submitted. Since the overall planning status of the Director's and Deputy Director's offices was not fully presented, the building area was reduced and funds were cut when total project funding was reported for approval. Detailed planning had to be resumed, which resulted in four months' delay in the project contracting process.
 - (C) The purchase and construction program of the National Taxation Bureau of the Southern Area was constantly revised in line with policy and legal changes
 - (D) In conclusion, potential shortcomings cannot be ruled out during the program formulation and execution stage due to the fact that the National Taxation Bureaus in Northern, Central, and Southern Taiwan have no prior experience in the purchase and construction of offices and lack professional manpower in this category.
- B. The second stage proceeded more smoothly than the first stage for the following reasons:
- (A) Optimal sites for the purchase and construction of offices were identified upon reporting of needs by relevant units. Land earmarked for construction had already been appropriated without compensation. Site conditions were simple and program revision was not necessary.
 - (B) Prescribed numbers of staff for taxation bureaus in all regions had been confirmed. Building areas for each unit were calculated based on the current prescribed staff numbers, which in turn ruled out uncertainties in the field of building area changes.
 - (C) Based on experiences accumulated in the execution of the first stage by the National Taxation Bureaus of the Northern, Central, and Southern Area, execution of the second stage was more efficient.
- C. Upon consideration of various factors including topography, weather conditions, geology, and increased storage demands of certain construction sites selected for the 2nd stage of the program, additional expenses for geological improvements, retaining structures, filling, and drainage were listed. Relevant construction funds were recalculated, revised, and reported to the Executive Yuan in accordance with the building unit prices and regional coefficients stipulated in the 2017 Manual for Preparation of Central Government General Budget based on revised building areas and parking lots which also function as air raid shelters. Revised funding was approved as per Official Letter Yuan-Tai-Cai-Zi No. 0960026568 issued by the Executive Yuan on June 7, 2007. During program execution, construction costs rose in August 2008, the bidding process for newly constructed offices for the Yangmei and Kinmen Offices failed, and contracting out of certain sub-programs encountered difficulties. To solve the problem of rising construction costs, bidding operations for relevant sub-programs had to be conducted based on reasonable expense calculations. It is further planned to acquire self-owned office space for the three sub-programs of Sindian Office and Jhonghe Office of the National Taxation Bureau of the Northern Area and the Changhua Branch of the National Taxation Bureau of the Central Area through development and construction of offices in cooperation with the private sector by relying on unified development or release of land rights (not to be incorporated into the 2nd stage of the program). The Ministry has therefore revised the sub-programs, funding, and schedules for the second stage of the "Program for the Purchase and Construction of Offices by the Taxation Bureaus and Subordinate Branches and Offices in Northern, Central, and Southern Taiwan". The revised items were approved in principle as per Official Letter Yuan-Tai-Cai-Zi No. 0980080689 issued by the Executive Yuan on January 9, 2009. Ten sub-programs have been completed as scheduled with the goal of providing better services for citizens and achieving excellent implementation performance.
- D. The Program for Construction of an Office for the Miaoli Branch of the National Taxation

Bureau of the Central Area was completed on July 31, 2014, with budget implementation efficiency reaching 100%. The branch relocated to the newly constructed office on December 15, 2014. Program implementation performance was excellent.

- E. The Program for the Acquisition of an Office for the Jhonghe Office by the National Taxation Bureau of the Northern Area was declared completed by the construction company on January 24, 2017. Preliminary inspections will be initiated upon completion of design changes for several engineering items.
 - F. The revised construction schedule for the Program for Construction of an Office for the Nantou Branch of the National Taxation Bureau of the Central Area was approved upon reporting to the Executive Yuan as per Official Letter Yuan-Tai-Cai-Zi No. 1060000079 issued by the Executive Yuan on January 9, 2017. The program period was changed from 2015-2018 to 2015-2019.
 - G. The revised Program for the Acquisition of an Office for the Luodong Office of the National Taxation Bureau of the Northern Area was approved as per Official Letter Yuan-Tai-Cai-Zi No. 1060037911 issued by the Executive Yuan on November 10, 2017. Required funding in 2018 was listed in the 2018 Budget Proposal for the Bureau and subordinate units. Required funding in 2019 will be reviewed and determined within the scope of the estimated medium-term expenditure amount of the Ministry approved by the Executive Yuan.
- (2) Occupational Safety and Health Administration of the Ministry of Labor
- A. The Administration has been renting its current office space from Cathay Life Insurance since 2000. The average annual rent amounts to NT\$ 5,608,732. Total rent payments exceed NT\$ 80 million. These rent payments were utilized to alleviate office congestion at the Southern Occupational Safety and Health Center. However, the rent expenses accumulated over the years are equivalent to the price of self-owned office space.
 - B. Upon organizational reforms in 2014, manpower of the Southern Occupational Safety and Health Center was increased to 72 which led to cramped office areas and a lack of available parking spaces in the current office building, which in turn caused inconvenience for citizens wishing to apply for public services at the center.

IV. Execution strategy and methods

1. Key work items

- (1) Selection of architects and construction project managers
- (2) Drafting of preliminary plans and solutions
- (3) Budget compilation
- (4) Engineering design (including urban design reviews), construction permits and contracting out
- (5) Application for “Green Building Candidate Certificate” and “Smart Building Candidate Certificate” (certified grade or above)
- (6) Project inspection and acceptance upon completion, application for use permit and Green and Smart Building Labels (certified grade or above), and handover

2. Execution strategies by year

The Program is planned to be executed over a period four years from 2018 to 2021. Planned progress can be summarized as follows:

- (1) 2018
Selection of construction project managers, technical service providers, confirmation of functional requirements and completion of preliminary planning, basic designs including floor plans and mass modeling, architectural drawings, structural plan, detailed designs including facades and detailed layout, calling for bids, and application for construction permits.
- (2) 2019-2020
Construction, contract performance management, combined service drawings, handling of flaws, corrections, prevention, progress and cost estimates.
- (3) 2021
Transfer of information and archiving of project records encompassing construction, contract performance management, combined service drawings, handling of flaws, corrections, prevention, progress and cost estimates, creation of as-built drawings, account settlement, project inspections and acceptance, project and equipment handover, engineering drawings, work safety records, as-built drawings, and design changes.

V. Schedules and resource requirements

1. Program schedule

- (1) 2018:
 - A. Appropriation of land without compensation required for office use
 - B. Selection of architects, planning and design, drawings, and construction permit review
- (2) 2018-2019: Construction
- (3) 2019-2020: Construction
- (4) 2021 : Construction, inspection and acceptance of completed project

2. Description of required resources

- (1) Demand for land: Appropriation without compensation of the site approved as per Official Letter Yuan-Shou-Cai-Chan-Gong-Zi No. 10600380800 issued by the Executive Yuan on December 11, 2017.
- (2) Space demand
 - A. Floor Area optimization has been adopted for construction to ensure optimal use of floor area and construction budget austerity. The total floor area amounts to 16,774 m², including 11,982 m² above ground (1,725.66 m² for public facilities) and 4,792 m² below ground, respectively. The Sanmin Branch and the Southern Occupational Safety and Health Center have space demands of 4,907 m² and 3,178 m² (excluding public facilities), respectively. Additional office space of 2,171 m² (excluding public facilities) was created. Planned space usage ratios of the Sanmin Branch and the Center are 47.85% and 30.99%, respectively. The added office space will be appropriate for units with needs to ensure the most effective use of available land.
 - B. It is planned to release 183 m² of above ground floor area (1st floor) for lease to businesses by the National Taxation Bureau of Kaohsiung (convenience stores is planned). Pursuant to the regulations set forth in Article 4 of the Revenue Directions for National Public Real Estate, lease rates shall be determined through public bidding. The base rate for bidding shall not be lower than 5% for the original rental rate of the site and not lower than 10% for the annual rental rate of the housing. The lease revenue will increase government financial resources, maximize the benefits derived from national property, create asset value, and ensure effective use of the land earmarked for this project.
 - C. The underground parking lot has a capacity of 153 spaces pursuant to Note 5 of the attached chart in Article 59 of the Building Technical Regulations (“Where the building site of publicly-owned buildings ~~which~~ are located in an area included in urban planning and belong to the first or third usage category as stipulated in this chart has a size of 1,500 m², a double-sized parking area shall be created in accordance with the regulations set forth in this chart **【(11,982 m² - roof protrusion of 263.2 m² - 300 m²) ÷ 150 × 2 = 153】** .
 - D. In consideration of the high underground excavation costs, two subterranean layers have been planned. Every parking space encompasses vehicle space, lane, and pillar and covers an area of 24 m². The parking lot therefore covers a total area of 3,672 m² (153x24). The remaining space (4,792-3,672 = 1,120m²) has been earmarked for ramps, stairs, elevators, and machine rooms.
 - E. To ensure multidimensional use of internal and external areas, available spaces may be leased/lent to industrial/commercial organizations as training spaces or utilized for cultural and creative exhibitions of artistic and cultural pieces, works of underprivileged groups and female artists, or gender issue related works in the same jurisdiction in the future. The goal is to show concern for underprivileged groups and create an artistic and cultural ambience.
- (3) Manpower demand

The scope of this construction project and the amount of required resources are immense. Required manpower is based solely on current manpower quotas of each unit involved in the project. Non-engineering dedicated units are required to hire professional technicians, supervisors, and skilled workers within the allocated budget for the project pursuant to the provisions set forth in the Regulations for Selection and Fee Calculation of Technical Services Providers Entrusted by Entities, a sub-law of the Government Procurement Act, and the Guidelines Governing Engineering Management Expenses of Central Government Agencies promulgated by the Executive Yuan to overcome engineering difficulties. Project manager and consultant fees for different stages of the project are handled in coordination with relevant agencies.

- (4) Financial demands : Total required funds for this construction project amount to NT\$ 543.003 million. These funds have been included in the central government budget for 2018-2021.

3. Funding sources and calculation criteria

(1)Funding sources: Funds are set aside in the central government budget.

(2)Calculation criteria

- A. Land costs: Appropriation without compensation has been approved as per Official Letter Yuan-Shou-Cai-Chan-Gong-Zi No. 10600380800 issued by the Executive Yuan on December 11, 2017.
- B. Housing construction
 - (A) Office construction costs shall be estimated, budgeted, and reported to the Executive Yuan pursuant to the estimation methods and standards prescribed in the 2017 Manual for Preparation of Central Government General Budget and the Manual for Estimation and Budgeting of Public Construction Project Costs on a year-by-year basis (including planning, design, and construction supervision fees payable to commissioned architects or supervising units, engineering management fees, and artwork installation fees). In addition, fees for the acquisition of a Smart Building Label (certified grade or above) have been estimated with reference to the Research Report on the Taipower Smart Building Implementation Strategy.
 - (B) Based on the annual growth rate of the consumer price index in the past ten years (2007-2016) as indicated in the National Statistics, R.O.C. (Taiwan) website, it has been determined that the average annual CPI growth rate amounts to 1.19%. Based on this growth rate, it has been estimated that total price adjustments amount to NT\$ 11,358,000.

4. Fund demands (including annual budgets) and compliance with estimated mid-term expenditures

(1) Land acquisition costs

The National Property Administration has approved the reservation of the land as an office construction site until December 31, 2017. Appropriation without compensation may be initiated once the project has been approved.

(2) Housing construction costs

Housing: Total construction costs of this program amount to NT\$ 504,303,000. The program will be executed over a period of four years (2018-2021). In accordance with the austerity principle, yearly budgets have been prepared for the four-year period based on actual needs, and the annual demands have been estimated as follows:

- A. The National Taxation Bureau of Kaohsiung holds 60.69% share of the program, and the annual budgets for 2018 through 2021 are NT\$ 3.106 million, NT\$ 94.429 million, NT\$ 116.521 million, and NT\$ 92.005 million, respectively, for a total of NT\$ 306.061 million)

- B. The Occupational Safety and Health Administration holds 39.31% share of the program, and the annual budgets for 2018 through 2021 are NT\$ 2.013 million, NT\$ 61.163 million, NT\$ 75.472 million, and NT\$ 59.594 million, respectively, for a total of NT\$ 198.242 million)
- C. Annual budgets for the program amount to NT\$ 5.119 million, NT\$ 155.592 million, NT\$ 191.993 million, and NT\$ 151.599 million in 2018, 2019, 2020, and 2021, respectively, for a total of NT\$ 504.303 million.

VI. Projected Results and Effects

1. Projected results

(1) Direct benefits

Annual rent payments of the Sanmin Branch and the Occupational Safety and Health Administration originally amounted to NT\$ 1,240,724 and NT\$ 5,608,732, respectively (a total of NT\$ 6,849,456). Based on a minimum 60-year lifespan of reinforced concrete office buildings, it is estimated that rent savings will amount to NT\$ 410,967,360 without taking into consideration the discount factor. The underground parking lot and release of the 1st floor for lease to businesses are projected to generate additional annual revenues of NT\$ 1,160,800. The added office space has been appropriated successfully for other units with respective needs. For instance, use of this space by the Special Police Seventh HQ 3rd Company will generate further annual savings of NT\$ 4.2 million (total of NT\$ 12,210,256) for the National Treasury. It is expected that the total construction costs of NT\$ 504,303,000 can be fully recovered in approximately 41 years. Thereby, the benefits derived from publicly-owned assets can be maximized.

(2) Indirect benefits

- A. Upon completion of the program, service businesses are expected to set up branches in the vicinity of the newly constructed office building to cater to the crowds of citizens applying for public services. This will lead to greater prosperity in this area coupled with the creation of new job opportunities and rising real estate values in adjacent areas.
- B. Creation of an obstacle-free space and provision of a friendly office environment for employees and citizens applying for public services: Gender-friendly facilities will be installed to meet the needs of citizens of both genders as well as individuals with different sexual orientations and gender identities. This program aims to enhance the convenience and adequacy of relevant facilities and reduce accident risks generated by unclear markings, auxiliary manpower costs, and unfriendly environments in an indirect manner. The goal is to increase user identification and prevent derivative risks and costs.
- C. Zone planning, architectural design, and creation of parking lots and obstacle-free public facilities for citizens who wish to apply for public services are implemented in line with Kaohsiung City Government urban planning concepts. The program will also be highly beneficial for urban traffic conditions and promotion of the welfare of the physically and mentally disabled.

(3) Intangible benefits

An automated AI system and provision of one-stop services have eliminated the need to head into ~~to~~ different office locations to apply for different taxation services and thereby help save travel times. Labor inspection functions and scope will be enhanced to increase administrative efficiency and meet public demands.

2. Program effects

(1) Impacts on administrative efficiency

- A. Reasonable solutions for problems such as the shortage of office space and inconvenient application procedures for workers and taxpayers to increase work efficiency and service quality.
- B. Planning and creation of obstacle-free spaces to provide a friendly office environment for employees and citizens applying for public services and installation of gender-friendly facilities to meet the needs of citizens of both genders as well as individuals with different sexual orientations and gender identities.
- C. An ideal, self-owned office space helps accelerate the promotion of tax service automation, multifunctional service counters, and one-stop service counters for individual income tax, estate and gift tax declarations to fully realize the goal of one-stop services.
- D. Proper planning of service space including a labor or taxpayer grievance center and counseling room to give citizens a deep perception of the good intentions of the government in the field of service provision and enhance service quality. In addition, larger-scale information meetings or seminars on labor laws and taxation to raise awareness of occupational safety and health and taxation laws among the public may be organized. The goal is to reinforce the concept of taxpaying as a civic duty and set a solid foundation for national legal education.
- E. A centralized office location helps strengthen the linkage between different tax collection services and builds staff cohesion through integration of units. Centralization of multifunctional service counters and tax filing and document submission locations helps save tax collection manpower costs, reduce fixed costs and expenditures, and enhance administrative efficiency. During income tax return filing periods, optimized and comfortable service and waiting areas are flexibly planned to cope with the large number of citizens filing their tax returns, reduce citizen complaints, promote harmonious interactions, and enhance the quality of public services.

(2) Impacts on the social environment

- A. Increase of investments in urban public goods
- B. Beautification of the urban landscape and installation of reasonable public facilities to enhance living environments and quality of life in line with urban planning zones
- C. Attraction of investments in commercial activities to change the distribution of the urban population and stimulate social interactions and relationships
- D. Alteration of urban land use patterns