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(These minutes have been seen by
the Administration)

**Subcommittee to follow up the outstanding capital works projects
of the former municipal councils**

**Minutes of Meeting
held on Thursday, 4 July 2002 at 8:30 am
in Conference Room A of the Legislative Council Building**

Members Present : Dr Hon TANG Siu-tong, JP (Chairman)
Hon Fred LI Wah-ming, JP
Hon CHAN Yuen-han, JP
Hon WONG Yung-kan
Hon Albert CHAN Wai-yip
Hon IP Kwok-him, JP
Hon LAU Ping-cheung
Hon WONG Sing-chi

Member Attending : Hon TAM Yiu-chung, GBS, JP

Members Absent : Hon Cyd HO Sau-lan
Hon Andrew WONG Wang-fat, JP

Public Officers Attending : Agenda item III

Ms Diane WONG
Principal Assistant Secretary (Food and Environmental Hygiene)
Health, Welfare and Food Bureau

Mrs Marion LAI
Deputy Director of Food and Environmental Hygiene
(Administration and Development)

Mr K K LEE
Assistant Director (Operations) 2
Food and Environmental Hygiene Department

Mrs Angel CHOI
Chief Executive Officer (Planning) 2
Food and Environmental Hygiene Department

Mr WONG Shiu-kwan
Project Director 3
Architectural Services Department

Agenda item IV

Ms Eva TO
Principal Assistant Secretary for Home Affairs
(Recreation and Sport)

Mr HO Wing-him, JP
Deputy Director of Leisure and Cultural Services
(Leisure Services)

Ms Pamela CHAN
Principal Executive Officer (Planning) 1
Leisure and Cultural Services Department

Mr WONG Shiu-kwan
Project Director 3
Architectural Services Department

Clerk in Attendance : Mrs Constance LI
Chief Assistant Secretary (2)5

Staff in Attendance : Miss Betty MA
Senior Assistant Secretary (2)1

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I Confirmation of minutes of meeting
[LC Paper No. CB(2) 2457/01-02]

The minutes of the meeting held on 10 January 2002 were confirmed.

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II Paper(s) issued since the last meeting

[LC Paper No. CB(2) 1849/01-02(01) , CB(2) 2047/01-02(01), CB(2) 1919/01-02(01) and CB(2) 2460/01-02(01)]

2. Members noted that the following papers had been issued to members since the last Subcommittee meeting held on 2 May 2002 -

- (a) letter dated 19 April 2002 from the Chairman of Tsuen Wan District Council and the Administration's reply;
- (b) referral of LegCo Members' meeting with Kowloon City District Council members on 14 March 2002; and
- (c) referral of LegCo Members' meeting with Southern District Council members on 2 May 2002.

III Projects involving food and environmental hygiene

The 19 projects for retro-fitting of air-conditioning to existing markets and/or cooked food centres

[LC Paper No. CB(2) 2455/01-02(01) and CB(2) 55/01-02(01)]

3. Deputy Director of Food and Environmental Hygiene (Administration and Development) (DD(A&D)) said that the Administration had completed the second round of consultation with stall lessees concerned in late May 2002. DD(A&D) informed members that based on the response to the letter of intent, three Cooked Food Centres (CFCs) had a support rate of 85% or more. Her department would proceed with the retro-fitting works for these three CFCs. DD(A&D) further informed members that for the rest of the markets and/or CFCs which had less than 85% support rate, the Administration might consider implementing essential general improvement works of a smaller scale. DD(A&D) further said that the Administration would welcome members' views on the proposed way forward for the retro-fitting projects.

4. Mr IP Kwok-him noted that only three CFCs had obtained 85% support, and ten out of the 19 markets concerned had a support rate of less than 50%. Mr IP asked about the reasons for the poor response.

5. DD(A&D) said that FEHD staff had tried very hard in the second round of consultation and had obtained a response rate of about 70% to 100%. For those lessees who did not support the retro-fitting projects, some considered air-conditioning unnecessary, while others considered the recurrent costs too high and the profits might not be able to offset the cost. Some also expressed concern that the proposed works would adversely affect their business. DD(A&D) further said that the stall lessees had been informed of the recurrent costs, which would range from several hundred dollars to a few thousand dollars, depending on the size of the stalls.

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6. Mr IP Kwok-him asked whether the Administration would consider aborting some of these projects or adjusting the support rate, in the light of the low support rate for the projects.

7. DD(A&D) said that the Administration was considering various options on the way forward. She explained that the 85% support rate was to ensure that the project received a reasonable level of support from the lessees. If a lower support rate was adopted before the commencement of project, it would turn out that a much lower percentage of lessees would be willing to pay the recurrent costs after the project was completed, given that there would be turnover of stall lessees during and after the works period. DD(A&D) said that some stall lessees had indicated support for the projects and agreed to pay the air-conditioning recurrent cost subject to a number of conditions, e.g. a lower recurrent cost, compensation from Government and a shorter business suspension period during construction. However, it would not be possible to accede to some of these requests such as compensation for the stall lessees. She believed that even if a lower support rate was set for the projects, there would still be problems in accommodating these requests from stall lessees.

8. Mr IP Kwok-him said that he supported the retro-fitting of air-conditioning projects in order to enhance the competitiveness of existing markets. However, as there were a lot of uncertainties regarding the impact on the affected stalls, he did not envisage that the Administration would be able to obtain a support rate as high as 85% for all the 19 markets.

9. Mr TAM Yiu-chung said that he had the impression that the Administration was not keen about the retro-fitting works and had therefore proposed a support rate as high as 85% which, in his view, was not realistic. He considered that both the stall lessees and the District Councils had strongly demanded to have air-conditioned markets. He pointed out that the response of stall lessees was not satisfactory because of practical considerations. For example, the stall lessees in Tung Yick Market and San Hui Market were worried that their business would be adversely affected during the works period, and there would not be suitable vacant stalls for re-location. Mr TAM said that even San Hui Market had a 70% support rate only although the lessees generally considered the market very hot and required air-conditioning. He suggested that the Administration should re-consider whether a lower support rate should only be adopted for proceeding with the projects. He further suggested that the requirement to pay air-conditioning recurrent cost should only be included in the new tenancy agreement after completion of the projects. Moreover, the Administration might re-consider whether the stringent fire safety requirements should apply to all existing markets if they were already provided with adequate fire exits.

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10. DD(A&D) responded that Government aimed to improve the business environment of existing public markets while upholding the user-pay principle. DD(A&D) advised that the Administration had already earmarked some \$2,300 million for the projects. She added that the 85% support rate had been discussed in detail at previous meetings of the Subcommittee.

11. Mr TAM Yiu-chung pointed out that the Subcommittee did not have details of the impact on the affected stall lessees when the proposed support rate of 85% was discussed at previous meetings, and members had therefore not raised objection. The Chairman advised that the Administration might wish to reconsider whether the 85% support rate was appropriate in view of the recent feedback of the stall lessees.

12. Mr WONG Sing-chi shared the view that the Administration should consider lowering the support rate. Mr WONG said that while some stall lessees did not support the projects in view of the current business environment, they would be convinced of the need for air-conditioning when they experienced a much better business turnover after completion of the projects. He believed that if the stall lessees would not be required to pay the air-conditioning recurrent costs until renewal of tenancies, most stall lessees would eventually agree to pay the additional recurrent cost when they saw the benefits brought about by air-conditioning. Mr WONG further said that some existing markets, such as Kwun Chung Market, did not face keen competition at present and therefore did not see an immediate need for improvement works. However, Mr WONG considered that upgrading works were necessary to improve the long-term viability of these markets.

13. DD(A&D) said that the Administration had provided the stall lessees with detailed information on estimated air-conditioning recurrent costs, scope of works and proposed works arrangements. She stressed that a reasonably high support rate was required to ensure that the lessees were willing to pay the recurrent costs in accordance with the user-pay principle. Otherwise, there might be a large turnover of stall lessees after the projects were completed.

14. Mr WONG Sing-chi said that he saw no reason why the stall lessees would not renew the tenancies if their business was improved after the markets were air-conditioned. He considered that the Administration should take these projects forward where more than 50% of the lessees had indicated support.

15. Mr WONG Yung-kan expressed dissatisfaction that there was still not much progress and little information after prolonged discussion on the projects. Mr WONG asked about the scope and the costs for the general improvement works for those markets which did not have the 85% support rate for carrying out the air-conditioning works.

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16. Project Director 3/Architectural Services Department (PD3/ArchSD) explained that the general improvement works to markets might include upgrading the fire safety installations to present-day standards, provision of a separate poultry section with independent ventilation system, improvements to the general ventilation systems, refurbishment of toilets and refuse collection areas, improvements to lighting and surface drainage systems as well as improvement to signage and entrances of markets.

17. The Chairman commented that the proposed general improvement works to markets were not of a small scale. Mr WONG Yung-kan said that the Administration should consider including retro-fitting of the air-conditioning to these markets even though a 85% support rate was not obtained. He pointed out that the business of the stalls would still be affected while the general improvement works were being carried out. Moreover, he saw no reason why the retro-fitting works could not be included in the general improvement works if it only involved a marginal increase in costs.

18. DD(A&D) explained that the general improvement works to be carried out in those markets without retro-fitting of air-conditioning were of a comparatively smaller scale than those with retro-fitting works. She said that the Administration had made every effort to boost the support rate for the retro-fitting projects.

19. Mr Albert CHAN said that he had expressed concern at previous meetings that the consultancy fees for the retro-fitting projects might be wasted if FEHD could not obtain 85% support from the affected stall lessees to proceed with the projects. Nevertheless, he would not agree to lowering the support rate when the practical difficulties encountered by the stall lessees could not be solved. Mr CHAN pointed out that the Administration should tackle the following problems when considering the way forward -

- (a) The stall lessees did not have confidence in FEHD's maintenance works in markets. Based on past experience, there had been a significant decline in business when the markets were undergoing repair works, as the markets were partially closed and the entrances were sometimes blocked.
- (b) The stall lessees did not have sufficient information about the impact of the construction works on their business, as well as the compensation or rental waiver arrangement, especially if relocation was required.
- (c) Some stall lessees were very old and lacked motivation to improve the operation of their stalls. They might not want to continue the business and might wish to surrender their licences for some form of compensation.

Mr Albert CHAN said that the Administration should consider making compensation to the stall lessees concerned, otherwise it would not be able to obtain a sufficiently high support rate for the retro-fitting projects.

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20. DD(A&D) responded that it was necessary to engage consultants to work out the schematic designs for the works before consultation with the stall lessees started. The design would provide information on the impact on the stalls and the possible relocation arrangements to enable stall lessees to make an informed decision.

21. DD(A&D) added that it was the established policy that ex-gratia compensation would not be provided for the carrying out of general improvement works in markets. However, the Administration would consider rental waiver or reduction arrangements for the affected stall lessees based on certain general principles. DD(A&D) added that supplementary information on project details and the general principles on rental waiver arrangement had been provided to individual stall lessees during the recent consultation.

*(Post-meeting note : The Administration has provided supplementary information on the general principles for rental waiver or reduction arrangements for stall lessees at the **Appendix.**)*

22. Mr Albert CHAN pointed out that even if construction works were carried out on one particular floor, the business of those stalls on the other floors would also be affected. He said that customers would prefer to shop at one market to get all kinds of food they would have to buy. If one particular section of a market was closed, the customers would go to another market instead.

23. DD(A&D) noted Mr CHAN's views. She said that the Administration should exercise care and prudence in proceeding with these projects which would be funded by public money.

24. Mr Fred LI enquired about the basis for adopting a 85% support rate for these projects. He said that to his knowledge, the Housing Department (HD) adopted 80% as the target support rate, and the retro-fitting works were carried out at night time. Moreover, HD would not renew the tenancies with those lessees who refused to pay the additional air-conditioning electricity charges. He suggested that FEHD should make reference to HD's experience. Mr Fred LI believed that stall lessees would be willing to pay the additional recurrent costs when they saw the benefit brought to their business by the air-conditioning. However, if the Administration decided not to take forward the retro-fitting works in those markets with a low support rate, he would strongly urge that the general improvement works be carried out in these markets to improve their business environment.

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25. DD(A&D) stressed that although the Administration could terminate the tenancies of those who were unwilling to pay the air-conditioning recurrent costs, it was necessary to ensure a reasonable level of support for the projects. Nevertheless, the Administration would further consider members' views concerning the support rate. As regards the arrangements for carrying out the retro-fitting works, DD(A&D) said that the pros and cons of different options such as complete closure of market, partial closure of market, and works during night time had been put forward for stall lessees' consideration. She pointed out that although night works would cause minimum disruption to the operation of stalls, the works period would inevitably be prolonged. Moreover, carrying out works at night would be subject to the environmental protection requirements.

26. DD(A&D) assured members that if retro-fitting works were not to be carried out in these markets, the Administration would consider implementing the essential general improvement works such as fire services upgrading works and the necessary repair and improvement works.

27. Miss CHAN Yuen-han said that retro-fitting works were most in need in those markets or stalls where the business turnover was low, as the purpose of retro-fitting works was to improve their business environment and enhance their competitiveness. She further said that the Administration should do away the bureaucratic rules and procedures in meeting the needs of the stall lessees.

28. Mr IP Kwok-him agreed that the objective of the retro-fitting works was to improve the business environment of the markets concerned. He considered that the Administration should consider lowering the 85% support rate, and should not worry too much about the possibility of non-renewal of tenancies by the stall lessees after completion of the projects. Mr IP pointed out that while stall lessees in the Sheung Wan Market had strongly urged for early implementation of retro-fitting works, they were worried about the additional recurrent costs and the impact on their business during the works period. Mr IP further said that the Administration should expedite the retro-fitting works and minimise the disruption to the affected stalls, e.g. by carrying out the works at night.

29. Mr Albert CHAN was of the view that the stall lessees were in general supportive of the retro-fitting works, and they would be willing to pay the additional electricity charges if the business environment was improved. He said that the Administration should not stick to the 85% support rate rigidly.

30. The Chairman requested the Administration to take note of members' views and consider lowering the support rate for taking the projects forward. He suggested that the Administration might, as a first step, proceed with the retro-fitting works in those markets with a relatively high support rate. The Administration noted the suggestion.

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IV Projects involving leisure and cultural facilities

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(a) Projects under the Accelerated Programme
[LC Paper No. CB(2) 2455/01-02(02)]

31. Principal Assistant Secretary for Home Affairs (PAS(HA)) said that all the projects which had policy and funding approval of the former Provisional Municipal Councils (PMCs), except the Hammer Hill Road District Park and the Stanley Complex, had already been forwarded to and endorsed by the Public Works Subcommittee (PWSC). It was the Administration's plan to seek funding approval for the Hammer Hill Road District Park in the beginning of the next session. As regards the Stanley Complex, PAS(HA) informed members that the Administration originally intended to seek PWSC's approval on 26 June 2002 to upgrade the project to Category A. However, in view of the need to further consult the Southern District Council (DC) on tree preservation, the Administration now planned to submit the project to PWSC in the beginning of the next session.

32. PAS(HA) further said that five of the 15 projects under the Accelerated Programme for implementation in 2002-03 had been upgraded to Category A of the Public Works Programme (PWP) on 5 June 2002. Four of these projects had been endorsed by PWSC. As for YMCA Wu Kwai Sha Youth Village project, PWSC members had expressed some concerns and the Administration would re-submit the proposal to PWSC with additional information. As for the remaining nine projects in the Accelerated Programme, the Administration would strive to adhere to the original schedule for submitting the proposals to PWSC between October and December 2002.

33. PAS(HA) added that the Administration would keep under review the remaining 49 projects in the Accelerated Programme and would seek to advance the implementation of these projects where possible.

Stanley Complex

34. Mr IP Kwok-him asked why the Administration had to revisit the tree preservation plan during the final stage of the Stanley Complex project. He was concerned that this would unduly delay the implementation of the project.

35. Deputy Director of Leisure and Cultural Services (DD/LCSD) responded that there were mature trees located in the middle of the project site. When the project was first considered by the ex-Provisional Urban Council in 1998, it was agreed that there was no need to preserve the tree in question. However, as there had been increasing public concern about tree preservation, his department considered it necessary to ascertain whether the tree in question should be preserved, before proceeding with project. DD/LCSD assured members that the target commencement date for the project would remain as March 2003. His department would also review the need for preserving trees for all the projects at hand.

36. Mr IP Kwok-him said that he had no objection to the Administration

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reconsidering the need for tree preservation. However, he urged the Administration to proceed with the Stanley Complex project as soon as possible.

- (b) Consultation with District Councils on the remaining outstanding projects not included in the Accelerated Programme
[LC Paper No. CB(2) 2455/01-02(03)]

37. PAS(HA) said that given the large number of outstanding projects, the Administration considered it pragmatic to consult the DCs again on the relative priority of these projects. The outcome of the consultation with DCs and the proposed way forward for the remaining 75 ex-PMC projects were given in the Administration's paper. PAS(HA) further said that LCSD recommended that eight of these projects could be implemented as minor works projects, and eight other projects could be deleted from the programme. The DCs had not raised strong views on the recommendations, and the Administration would proceed to implement the eight minor works projects. As for the remaining 59 projects, PAS(HA) informed members that the relevant DCs had strongly requested that nine of these projects should be given priority for implementation. In addition, the DCs concerned had strongly requested LCSD to accord priority to three non ex-PMC projects, including the provision of a civic centre in Kwun Tong, the development of an artificial beach at Lung Mei and the extension of the Tai Po Public Swimming Pool. She said that subject to budgetary constraints, the Administration would carefully consider these requests in accordance with the established procedures for Public Works Programme projects.

38. Mr LAU Ping-cheung enquired about the timetable for implementing the eight projects recommended as minor works items. PEO(P)/LCSD said that some of these projects would start shortly. However, further consultation with DCs was needed for some other projects such as the District Open Space in Lo Wai.

39. Mr IP Kwok-him said that the Central and Western DC had strongly requested for expedition of the Sun Yat Sen Memorial Park. He wondered why the Administration had not included this project in the list of priority projects proposed by DCs.

40. DD/LCSD clarified that the Sun Yat Sen Memorial Park project was already included in the Accelerated Programme and scheduled for commencement in March 2007. The Administration was fully aware of the strong request made by the DC, and was considering the feasibility of advancing the commencement date from 2007 to 2005. Principal Executive Officer (Planning)/LCSD (PEO(P)/LCSD) added that as the plan for developing a waterfront promenade to link up the project site with the nearby MTR Station was not yet finalised, the Administration was considering implementing the project by phases.

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41. Miss CHAN Yuen-han pointed out that the Administration's paper had not given any definite development plan for the 12 projects for which the DCs had requested priority. She asked about the plans for these projects, particularly the provision of a civic centre in Kwun Tong as the DC had pressed for the project in the past ten years.

42. DD/LCSD responded that the Administration had strived to implement the ex-PMC projects as far as practicable and some \$10 billion had already been secured for implementing 81 projects in the past two years. However, for the other 12 projects strongly requested by DCs, no funding had been reserved yet. In view of the resource constraints, the Administration was carefully considering the relative priority for all outstanding ex-PMC projects and the new projects in the light of the territory-wide demands for recreational and cultural facilities. He said that in addition to honouring the commitment for implementing the ex-PMC projects, it was equally important for the Administration to meet the community's needs for other recreational and cultural facilities. For example, it was the Administration's plan to provide at least one indoor swimming pool in each district. Mr WONG Yung-kan expressed support for the proposal to provide more thermal pools.

43. DD/LCSD said that the provision of civic centres would be reviewed when the "Consultancy Study for the Provision of Regional/District Cultural and Performance Facilities in Hong Kong" was completed by autumn this year. The views of the respective DCs had been relayed to the consultant for consideration. DD/LCSD further said that the Administration was fully aware of the strong request made by Kwun Tung DC on the provision of a civic centre in the district. He added that the Administration had recently explained to the Chairman and Deputy Chairman of Kwun Tung DC that the construction cost of a civic centre of present-day standards would be in the region of \$500 - \$700 million, and the amount could alternatively be used for the construction of a number of playgrounds or swimming pools. He hoped members would understand that there were financial constraints in meeting the needs for different leisure and recreational facilities in all districts.

44. DD/LCSD further said that his department had just completed a review on the utilisation rates of individual indoor recreation centres. It was noted that the utilisation rates of a number of centres were far from satisfactory. He advised that in proceeding with new projects of recreation centres, the Administration would consider critically the possibility of providing such centres next to schools, so that the facilities could be fully utilised by school children during daytime and by the public during night time. However, the feasibility of such proposals would depend on the availability of suitable sites next to schools.

45. DD/LCSD added that the Administration was reviewing the need for the Ngau Chi Wan Recreation Ground (Landfill site), and experts from the University of Hong Kong were being invited to give recommendations on the feasibility and scope of the Ecological Park located at Tso Kung Tam Valley in Tsuen Wan.

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46. DD/LCSD stressed that the Administration would carefully consider the viability of the 12 projects strongly requested by the DCs and would strive to secure resources for implementation if the needs for such projects were justified.

47. Miss CHAN Yuen-han said that while she appreciated that there were difficulties and constraints for implementing all the projects, she strongly urged that the Administration should try to accommodate the strong call for a civic centre from the residents in Kwun Tong when formulating the South East Kowloon Development Plan. Miss CHAN further said that the Administration should work out a concrete timetable for providing a civic centre in Kwun Tong.

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48. Mr Albert CHAN said that while he agreed that the provision of civic centres should be decided after the consultancy findings were available, the Administration's proposed way forward for the other priority projects recommended by DCs was unacceptable. He said that as these projects had been endorsed by the former PMCs, delay in implementing or abortion of these projects was disrespectful to the PMCs and the DCs concerned. As for the Ecological Park in Tso Kung Tam Valley, Mr Albert CHAN pointed out that an assessment on its feasibility and scope had been carried out in 1980s. There were viable ways to develop the project without the need to carry out large scale site clearance and geotechnical works. He wondered why the Administration's recent assessment differed greatly from the previous findings and recommendations. He urged the Administration to decide on the project scope and work out the cost estimates so that the project could be taken forward as soon as possible.

49. Mr Albert CHAN further said that LCSD had not provided the full picture when proposing not to take forward certain projects. Mr Albert CHAN said that according to the Administration, part of the project site for the District Open Space in Lo Wai, Area 39 of Tsuen Wan was being occupied by squatters and the implementation of the project would have to tie in with the clearance of such squatters. However, he had written to the Administration as early as 1988 to urge for early implementation of the project. He did not understand why such squatters were still not cleared after so many years. Mr CHAN strongly urged the Administration to accord priority to this project, as the population in Area 39 had increased significantly over the years.

50. Responding to Mr Albert CHAN, DD/LCSD said that the Administration would try to accommodate the requests of individual districts as far as practicable. He further said that as the scope of reclamation in Tsuen Wan would change, the two open space projects originally planned on the reclaimed sites might not be proceeded with. However, LCSD would strive to redeploy the resources earmarked for these two projects to speed up other projects in Tsuen Wan.

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51. DD/LCSD further said that he was fully aware of the strong request for the Ecological Park in Tso Kung Tam Valley. However, as the project cost was estimated to be in the region of \$300 million, the Administration would have to consider carefully the need for the project with regard to the overall need for similar projects in the territory.

52. In response to the Chairman, DD/LCSD said that the 12 projects recommended by DCs would be taken forward, subject to availability of resources, after the implementation of projects under the Accelerated Programme.

53. Mr WONG Yung-kan said that many of the outstanding ex-PMCs projects had been dragged on for many years. For example, the request for a civic centre in Tai Po had been made since 1985. He strongly urged that the Administration should speed up the implementation of the outstanding ex-PMC projects.

54. In response to Mr LAU Ping-cheung, DD/LCSD said that he could not provided members with the implementation timetable for the 12 projects recommended by DCs, as the Administration had yet to secure funding for these projects. Mr LAU Ping-cheung said that in the absence of such information, the Subcommittee would not be able to follow up the progress of these projects effectively. DD/LCSD agreed to provide the timetable in due course.

Admin

V Any other business

55. Members agreed to hold the next meeting in the beginning of the next session to review the progress of the outstanding projects. The Chairman said that members would be informed of the date of the next meeting in due course.

56. There being no other business, the meeting ended at 10:40 am.

**General principles for rental waiver or reduction arrangements
for stall lessees**

- (a) Affected stall lessees who had to suspend business
 - (i) rental waiver granted during works period; and
 - (ii) two-month rental waiver granted upon project completion.

- (b) Affected stall lessees who could continue to operate
 - (i) rental reduction of 50% granted to affected stall lessees when the works were carried out on the same floor in the market; and
 - (ii) rental reduction of 30% granted to affected stall lessees when the works were carried out on other floors in the market.

- (c) Temporary relocation to other stalls or sites due to implementation of project

Apart from the rental reduction mentioned at (b)(i) or (b)(ii) (i.e. either 50% or 30% reduction) and the exemption of one month's rental for the temporary stall or site, lessees would be additionally waived of two months' rental after they returned to their original stalls or other permanent stalls upon the completion of the project. Temporary stalls would be allocated by ballot and their rental would be determined with reference to the market value assessed by the Rating and Valuation Department.

- (d) Lessees who had to be permanently relocated to other stalls in the same market or another market for continuation of operation as a result of the project

Lessees who continued their business might enjoy a two-month exemption of rent for their new stalls in addition to the rental reduction mentioned at (b)(i) or (b)(ii). These permanent stalls would be allocated by restricted tender, and their upset prices would be set at 75% of the market rents as assessed by the Rating and Valuation Department.