

**For discussion  
on 1 March 2001**

**Subcommittee to Follow Up the Outstanding Capital Works Projects  
of the Former Municipal Councils**

**Retrofitting of Air-Conditioning  
to Existing Markets and Cooked Food Centres**

**Purpose**

This paper reports on the present position regarding the projects to retrofit air-conditioning system (A/C) to 19 existing markets and cooked food centres (CFCs).

**Background**

2. At the Subcommittee meeting held on 7 December 2000, we advised Members of our intention to include 19 projects to retrofit A/C to existing markets and CFCs into Category C of the Public Works Programme (PWP) and to prioritise the projects on the basis of the six criteria set out in Paragraph 11 of LC Paper No. CB(2)411/00-01(02). We also indicated that the implementation would be subject to technical feasibility, and earmarking of funds would be subject to the normal resource allocation mechanism under the Public Works Programme. This paper reports on the progress made so far.

**Setting of priorities**

3. We are assessing the relative priorities of the 19 projects based on the following criteria and will consult Members in April:

- a) Future redevelopment plan;
- b) Availability of air-conditioned market or CFC facilities to residents in vicinity;

- c) Strategic location of market or CFC facilities;
- d) Existing ventilation conditions;
- e) Site constraints and technical difficulties; and
- f) Views of stall lessees.

### **Consultation with Market Lessees**

4. We strongly believe that the A/C retrofitting projects should not proceed unless there is majority support from the lessees concerned. A mechanism for inviting the views of the market lessees is proposed at **Annex**. We are considering a percentage of majority of 75% to 90% to ensure that the project receives overwhelming support from the lessees, given its possible impact on their business during the works period and the subsequent financial impact on them. Besides, if a low percentage of majority (say 51%) is chosen, there may be a risk that should some of the lessees leave during the works period, the supporting rate would be brought down to below 50% by the time the project is completed.

5. We will brief the market lessees clearly on all implications of A/C retrofitting, e.g. recovery of recurrent costs, arrangements during the works period, etc. They will be informed of the estimated cost of monthly A/C charges payable by them and be requested to give an undertaking to pay such charges monthly when the A/C system is in place.

**Food and Environmental Hygiene Department**  
**February 2001**

### Retrofitting of A/C to 19 Existing Markets and CFCs Mechanism for Inviting Views of Market Lessees

