

**For Information
on 14 November 2002**

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

**Retro-fitting of Air-conditioning and General Improvement Works
to 19 Existing Markets and/or Cooked Food Centres**

Purpose

The purpose of this paper is to inform members of the latest consultation outcome and the proposed way forward on the retro-fitting of air-conditioning (“A/C”) and general improvement works to 19 individual markets and/or cooked food centres (“CFC”).

Background

2. At the Subcommittee meeting held on 4 July 2002, Members were informed that in mid May 2002, the Food and Environmental Hygiene Department had sent letters to individual stall lessees providing them with supplementary information on project details and had approached individual lessees to encourage them to return the letters of intent. Based on the response to the letters of intent in late June 2002, there are three CFCs that had a support rate of 85% or more. They are the Fa Yuen Street Market CFC (89.5%), Shek Wu Hui Market CFC (85.2%) and Ngau Tau Kok Market CFC (85%).

Latest Consultation Outcome

3. Subsequent to the Subcommittee meeting on 4 July, some lessees of the Yue Wan Market and CFC have forwarded their belated returns on the letter of intent and some lessees of the Bowrington Road Market CFC and San Hui Market have requested to amend their returns. As a result, in addition to the three CFCs named in paragraph 2 above, two more CFCs have attained the required support rate of 85% or more. They are :

<u>Name of CFC</u>	<u>Support rate reported on 4 July</u>	<u>Current support rate</u>
(a) Bowrington Road Market CFC	83.3%	91.7%
(b) Yue Wan Market CFC	10%	85%

4. For details, please refer to Annex A showing the current support rates for the 19 markets and/or CFCs.

Way Forward

5. We would proceed with the A/C retro-fitting and general improvement works for the five CFCs, named in paragraphs 2 and 3 above, which have attained a support rate of 85% or more. (For the Shek Wu Hui CFC and Ngau Tau Kok CFC, we need to discuss further with the lessees concerned with a view to working out the net support rate after discounting lessees who offered their support on the basis of conditions/requests that cannot be acceded to such as lower A/C recurrent cost, compensation from Government and shorter business suspension period during construction works. A/C retro-fitting works would proceed if the net support rate is at or over 85%.) The project cost estimates for the A/C retro-fitting and general improvement works to the five CFCs are about \$165 million.

6. For the remaining markets/CFCs which have a support rate less than 85%, we propose to proceed with essential improvement works in compliance with the latest statutory requirements, including works in compliance with fire safety requirements, and provision of barrier free access for people with disabilities. Aside from these essential improvement works, the following types of general improvement works would also be worked out for each market/CFC depending on the actual conditions of individual markets/CFCs concerned.

- (a) upgrading of existing ventilation system;
- (b) replacement of floor and wall finishes in common areas and

- ancillary facilities;
- (c) replacement of water proofing layer;
 - (d) strengthening to surface drainage system including provision of removable stainless steel strainers and provision of improved surface channel covers;
 - (e) enhancing general lighting, in particular to market entrances and major passageway;
 - (f) installation of water scrubber system to refuse collection point; and
 - (g) upgrading of entrances and signage.

The detailed scope of works for individual markets/CFCs is being drawn up. In the process, the Administration will explore the feasibility of making larger-scale improvements where circumstances permit major reconfiguration and refurbishment.

7. The project cost estimates of the essential/general improvement works described in paragraph 6 amount to about \$360 million. We believe these improvement works will greatly improve the environmental hygiene and viability of the markets concerned without over-burdening the tenants in terms of disruption to their business and the need to bear the A/C recurrent costs.

8. As the next step, we will inform the relevant District Councils and Market Management Consultative Committees of the consultation outcomes and the proposed way forward mentioned in paragraphs 5-7. Thereafter we will proceed to seek the necessary funding approval to facilitate early implementation of the A/C retro-fitting and improvement works projects.

Health, Welfare and Food Bureau
Food and Environmental Hygiene Department
8 November 2002

Retro-fitting of A/C and General Improvement Works to 19 existing Markets and/or Cooked Food Centres
Outcome of Consultation with Stall Lessees as at early November 2002

	Market/CFC	No. of occupied stall	No. of Letter of Intent returned		No. of lessees supporting the proposed works and agreeing to pay A/C recurrent cost	
			No.	%	No.	%
1.	Po On Road Market	411	331	80.5	71	17.3*
	Po On Road Market CFC	17	15	88.2	6	35.3*
2.	Tokwawan Market	243	243	100	22	9.1
3.	Bowrington Road Market	259	228	88	110	42.5*
	Bowrington Road Market CFC	12	12	100	11	91.7
4.	Shek Wu Hui CFC	27	27	100	23	85.2*
5.	Kwun Chung Market	151	151	100	0	0
	Kwun Chung Market CFC	12	12	100	0	0
6.	Fa Yuen Street Market	160	159	99.4	117	73.1
	Fa Yuen Street Market CFC	19	19	100	17	89.5
7.	Ngau Tau Kok Market	404	376	93.1	215	53.2*
	Ngau Tau Kok Market CFC	20	19	95	17	85*
8.	Ngau Chi Wan Market	359	329	91.6	86	24
	Ngau Chi Wan Market CFC	14	14	100	1	7.1
9.	Sheung Wan Market	161	161	100	4	2.5
10.	Aberdeen Market	279	221	79.2	53	19*
	Aberdeen Market CFC	10	10	100	1	10

	Market/CFC	No. of occupied stall	No. of Letter of Intent returned		No. of lessees supporting the proposed works and agreeing to pay A/C recurrent cost	
			No.	%	No.	%
11.	Yue Wan Market	301	257	85.3	185	61.5*
	Yue Wan Market CFC	20	20	100	17	85
12.	Tung Yick Market	273	273	100	169	61.9*
13.	San Hui Market	272	265	97.4	205	75.4
14.	Sai Kung Market	164	164	100	109	66.5*
15.	Tsuen Wan Market	385	205	53.2	52	13.5
16.	Tsuen King Circuit Market	140	129	92.1	3	2.1
17.	Yeung Uk Road Market	323	236	73.1	34	10.5*
18.	North Kwai Chung Market	222	222	100	32	14.4*
19.	Wing Fong Street Market	114	114	100	25	21.9*

Note :

- (*) For markets/CFCs with an asterisk, some lessees who have indicated support for the project and agreed to pay the A/C recurrent cost have put down various requests/conditions in the letters of intent such as lower A/C recurrent cost, compensation from Government, shorter business suspension period for some stalls during construction etc. Some of the requests/conditions like compensation from Government could not be entertained. If the lessees with requests/conditions that could not be entertained are discounted, the support rate for these markets/CFCs will be reduced by about 1% to 39%.