

LegCo Panel on Housing

**Subcommittee to study the letting and rent policies of non-domestic premises
of the Housing Authority and the Housing Society**

**List of follow-up actions arising from the discussion
at the meeting on 23 January 2002**

The Administration to advise

- the market share of the commercial premises of the Housing Authority (HA) and the Housing Society (HS) in respect of retail spaces in Hong Kong with a breakdown by trade if available, if not, at least a breakdown by trades of retail spaces, particularly market stalls, under HA and HS as opposed to that under the Food and Environmental Hygiene Department (FEHD);
- the basis upon which decisions to lease commercial premises under HA and HS by tender and negotiation is arrived at;
- the number of premises leased by restricted tender and the rationale for not offering restricted tender opportunities to commercial tenants displaced as a result of redevelopment of public housing estates and clearance operations;
- the factors which HA and HS will take into account in planning for commercial facilities within public housing estates and the average time taken for completion of such facilities;
- the basis upon which the trade mix of commercial premises under HA and HS is decided;
- the rationale behind the introduction of large chain stores such as superstores in public housing estates and the measures which HA and HS have taken to prevent monopolization by large chain stores on the one hand and to maintain competitiveness of individual stall operators on the other;
- the number of cases in the past five years where HA and HS had let out premises vacated by individual stall operators as a result of poor business to superstores;
- whether commercial tenancies of HA and HS in effect are transferable and the extent to which a single person is allowed to operate effectually all the designated stalls for a certain trade within a commercial complex to achieve monopolization;

- the mechanism through which comparable market rent can be determined in the letting of commercial premises of HA and HS;
- the number of cases in the past five years where HA and HS had to let out commercial premises at a reduced rent or leave them vacant after failing to reach an agreement on renewal of tenancies with the previous tenants because of high rentals;
- whether HA and HS will take into account continuity of service such as medical service of estate dentists and doctors in setting rent for the relevant commercial premises;
- the vacancy rate of markets of HA and HS as opposed to that of markets operated by single operators;
- whether there are cases where single operators have requested for early termination of tenancy agreements due to poor business;
- the factors which HA and HS will take into account in converting vacant space to other purposes, the lead time for the conversion and how affected tenants will be notified of such a change; and
- the coordination between the FEHD and HA/HS in the provision of markets within a district.

Legislative Council Secretariat

7 March 2002