

**For discussion  
on 4 March 2019**

## **Legislative Council Panel on Housing**

### **Use of Non-domestic Premises of the Hong Kong Housing Authority**

#### **Purpose**

This paper updates Members on the latest situation of the use of non-domestic premises of the Hong Kong Housing Authority (HA).

#### **Background**

2. The Government briefed Members on the use of the non-domestic premises of HA at Legislative Council Panel on Housing (the Panel) meeting on 10 July 2018. As mentioned in the paper<sup>1</sup> submitted to the Panel then, the primary function of HA is to provide affordable rental housing to low-income families with housing needs, and to help low to middle-income families achieve home ownership through the provision of subsidised sale flats. At the same time, HA provides good management, proper repair and maintenance, and other housing-related services. Depending on the circumstances, HA also provides other non-domestic facilities such as retail, welfare and car parking facilities to the residents. As at the end of December 2018, there are about 1.76 million square metres of non-domestic facilities under HA, of which about 49% are welfare facilities, about 14% are retail facilities and the remaining 37% are for other purposes<sup>2</sup>.

3. HA has been reviewing the use of non-domestic facilities in public housing estates from time to time. On the premise that adequate public space will be provided for residents' access and leisure, HA will endeavour to balance residents' needs for various types of facilities, and consider increasing the provision of non-domestic facilities as far as practicable, in order to provide various community, educational, welfare and retail facilities for residents.

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<sup>1</sup> LC Paper No. CB(1)1220/17-18(03).

<sup>2</sup> Including units for light industries, government offices, Mutual Aid Committee offices, residents' association offices, contractors' offices, estate management offices, storerooms, telecommunications base stations, advertising panels, etc.

## **Retail facilities**

4. As at the end of December 2018, there are about 246 000 square metres of retail facilities under HA. Apart from providing new retail facilities in newly completed estates and courts<sup>3</sup>, HA has been implementing various measures to increase and enhance its retail facilities. These measures include renovating shopping centres, realigning the layout of shop units, re-designating the trade mixes, providing additional shops and converting the use of the premises. Since 2011, HA has added about 1 200 square metres of retail facilities in existing shopping centres and estates.

5. Furthermore, HA has been adopting flexible marketing and leasing strategies in keeping with the market trend, and actively exploring new avenues in providing a wider choice of goods and services to meet the needs of residents and the local community, such as the provision of various kinds of mobile facilities<sup>4</sup>. Apart from providing suitable premises for setting up bank branches or self-service banks, HA has been collaborating with major banks for the provision of mobile banking services in 25 estates to meet residents' needs. In response to the growing popularity of online shopping, more than 30 sets of parcel lockers have been set up in various estates for the convenience of residents to pick up their purchases. As at the end of December 2018, the overall vacancy rate of HA's retail facilities was maintained at a low level of 1.2%.

## **Welfare facilities**

6. In the planning of new public housing developments, HA will take into account relevant government policies and planning requirements to plan for the provision of various facilities. Relevant departments and organisations will also be consulted during the process. This arrangement enables the Social Welfare Department (SWD) to explore the provision of facilities in a comprehensive manner at the early planning stage, in order to provide suitable welfare facilities in the estates under planning. Moreover, HA is well aware of the keen demand for non-domestic premises in public housing estates from non-government organisations (NGOs) for the provision of welfare services. Subject to technical feasibility and in compliance with

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<sup>3</sup> A total of over 18 000 square metres of retail facilities are being provided in new estates/courts completed in 2018.

<sup>4</sup> Including mobile banking services, mobile Chinese medical and physiotherapy services as well as mobile library service, etc.

the Buildings Ordinance, other relevant legislation and land lease conditions (if applicable), HA may, after taking into account the residents' views, convert suitable non-domestic premises to welfare use in response to demand.

7. HA has been leasing welfare premises at a concessionary rent to eligible NGOs<sup>5</sup> providing services to residents directly as recommended by SWD or relevant government bureaux/departments. HA's Commercial Properties Committee reviews the concessionary rent once every three years, and has recently approved the adjustment of the concessionary rent from \$55 to \$59 per square metre per month, with effect from 1 April 2019.<sup>6</sup>

8. As at the end of December 2018, HA has executed about 1 500 tenancies under the above arrangements for relevant organisations to provide various types of welfare services, such as children and youth services, elderly services, family welfare services, as well as child care, medical, rehabilitation and educational services.

9. Apart from the welfare facilities mentioned above, SWD also provides suitable support services to assist residents in adapting to the new living environment at the early stage of intake of individual newly completed estates. To support the delivery of such outreaching services at the intake stage, HA will lease suitable non-domestic premises not yet in use, including Mutual Aid Committee offices, to relevant NGOs at concessionary rent for them to set up temporary work bases.

### **Car parking facilities**

10. The car parking facilities under HA are primarily provided for residents or visitors of the respective estates/courts to park their vehicles. As at the end of December 2018, HA has about 30 900 parking spaces in 161 car parks. HA has been taking various measures<sup>7</sup> from time to time to maximise the usage of its parking spaces, and meet the needs of residents and the local communities. The occupancy rate of HA's car parks has continued to increase. The overall occupancy rate was around 96% as at the end of December 2018.

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<sup>5</sup> Charitable or non-profit making organisations which are exempted under Section 88 of the Inland Revenue Ordinance.

<sup>6</sup> For Government-funded welfare premises, HA normally charges a nominal rent of \$1 per annum plus a management and maintenance charge which is currently set at \$41 per square metre per month.

<sup>7</sup> These measures include re-designating parking spaces for other types of vehicle, flexible adjustment of the letting arrangement of parking spaces, letting of surplus parking spaces to non-residents upon obtaining the necessary permission, etc.

11. To support the Government policy of promoting the wider use of electric vehicles (EVs) in Hong Kong, there are already about 600 private car parking spaces in HA carparks with EV charging facilities installed as at the end of December 2018. Also, in view of the keen public demand for parking spaces, HA will complement the Government's policy and consider further increasing the provision of car parking facilities in new public housing developments, provided that priority will be accorded to meeting the needs of the residents and visitors of the respective estates/courts. Subject to technical feasibility and local views, HA will also provide additional parking spaces in existing carparks and estates.

### **Storerooms in public housing estates**

12. At present, there are about 2 500 storerooms in domestic blocks of public housing estates, of which about 2 100 are within domestic areas (commonly demarcated by ground floor entrance security gates). Most of the storerooms within domestic areas are small (the internal floor area of about 80% of these storerooms are less than 10m<sup>2</sup>), and about 60% of them have been leased out<sup>8</sup>. HA has been reviewing the use of these storerooms and actively exploring the feasibility of converting storerooms within domestic areas into domestic units. Subject to technical feasibility, requirements of the Buildings Ordinance and other relevant legislation, land use and planning restrictions, and having taken account of environmental considerations and residents' views, HA has completed or conducting the conversion works to provide 40 domestic units. Recently, HA has also obtained approval for converting an additional 30 domestic units. As regards the 400 storerooms outside domestic areas, about 80% have been let to non-domestic tenants of their respective estates. In recent years, HA has also converted some storerooms and adjacent spaces outside domestic areas into 18 welfare premises and two retail premises in response to demand. HA will continue to explore various ways to better utilise the storerooms.<sup>9</sup>

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<sup>8</sup> In view of security, management and planning concerns, HA will only let storerooms within domestic areas to the residents of the respective estates.

<sup>9</sup> For details, please refer to paper nos. CPC 29/2018 and CPC 34/2018 of the Commercial Properties Committee of HA –  
([https://www.housingauthority.gov.hk/en/common/pdf/about-us/housing-authority/ha-paper-library/CPC 29-18.pdf](https://www.housingauthority.gov.hk/en/common/pdf/about-us/housing-authority/ha-paper-library/CPC%2029-18.pdf))  
([https://www.housingauthority.gov.hk/en/common/pdf/about-us/housing-authority/ha-paper-library/CPC 34-18.pdf](https://www.housingauthority.gov.hk/en/common/pdf/about-us/housing-authority/ha-paper-library/CPC%34-18.pdf)).

## **Conclusion**

13. HA will continue to keep in view the use of its non-domestic facilities to ensure the best use of resources and meet the needs of residents.

**Transport and Housing Bureau**  
**February 2019**