

立法會
Legislative Council

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Panel on Housing

Meeting on 5 May 2021

**Updated background brief on use of non-domestic premises of the
Hong Kong Housing Authority**

Purpose

This paper provides background information on the use of non-domestic premises of the Hong Kong Housing Authority ("HA"), and gives a summary of the views and concerns expressed by members of the Panel on Housing ("the Panel") during relevant discussions in recent years.

Background

2. 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 subsidized sale flats ("SSF"). Depending on the circumstances, HA also provides non-domestic facilities such as retail, welfare and car parking facilities to the residents.

3. According to the Administration, as at the end of March 2020, HA had some 1.79 million square metres of non-domestic facilities, of which about 49% were welfare facilities, about 15% were retail facilities and the remaining 36% were for other purposes¹, and had about 31 800 parking

¹ 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.

spaces in 174 carpark².

Provision of non-domestic facilities in new public housing developments

4. In planning for 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 organizations will also be consulted during the process.

5. Given the limited space in existing public housing estates, HA will, on the premise of ensuring that adequate public space is available for residents' access and leisure, endeavour to balance residents' needs for various facilities and consider increasing the provision of non-domestic facilities where feasible to provide residents with various community, educational, welfare and retail facilities.

Welfare facilities

6. HA has been leasing welfare premises at a concessionary rent to eligible non-government organizations³ nominated by relevant government bureaux/departments.⁴

7. Subject to technical feasibility and compliance with relevant legislation and land lease conditions, HA may convert suitable non-domestic space in existing estates to welfare use in response to demand.

Members' views and concerns

8. The major views and concerns expressed by members during relevant Panel discussions in recent years are summarized in the ensuing paragraphs.

² As at end-March 2020, there were about 260 000 square metres of retail facilities under HA. The overall vacancy rate of retail premises was 2.1%. As regards the car parking facilities under HA, the overall occupancy rate was around 96% (LC Paper No. [CB\(1\)804/19-20\(03\)](#)).

³ Charitable or non-profit making organizations which are exempted under Section 88 of the Inland Revenue Ordinance (Cap. 112).

⁴ HA's Commercial Properties Committee reviews the concessionary rent once every three years, and has approved the adjustment of the concessionary rent from \$55 to \$59 per square metre per month, with effect from 1 April 2019. For Government-funded welfare premises, HA normally charges a nominal rent of \$1 per annum plus a management and maintenance charge which is set at \$41 per square metre per month (LC Paper No. [CB\(1\)634/18-19\(05\)](#)).

Measures to increase non-domestic facilities in existing estates

Conversion of vacant storerooms

9. Members expressed concern about the adequacy of non-domestic premises for community organizations to provide services in public housing estates, and enquired how HA would continue to speed up the conversion of vacant storerooms for welfare or community use.

10. The Administration advised that as at 31 March 2020, there were about 2 500 storerooms in domestic blocks of public housing estates, the majority of which was within domestic areas (commonly demarcated by security gates at the ground floor entrance of buildings) and mainly small in size (less than 10 square metres). HA had all along been reviewing the usage of storerooms in public housing estates and had completed conversion of a number of storerooms and spaces within domestic areas into domestic units, having considered technical feasibility, compliance with the Buildings Ordinance (Cap. 123) and other relevant ordinances, land use and planning restrictions, environmental considerations and residents' views. Some storerooms and other spaces outside domestic areas had also been converted into welfare and retail facilities.⁵ The Administration advised that conversion of storerooms into other uses was not always feasible due to various constraints such as being too small in size, non-compliance of building and related ordinances, environmental considerations and residents' views. HA had strengthened the publicity of information about letting of vacant storerooms through various channels such as posting notices and Estate Newsletter with a view to improving occupancy.⁶

Use of rooftop areas

11. On the suggestion that HA should make good use of the rooftop areas of building blocks in existing public housing estates for providing facilities for residents' use, the Administration advised that rooftops of domestic buildings in public housing estates generally accommodated building services facilities, such as water tanks, common antennae, machine rooms, etc. For safety reasons and to avoid nuisance to residents, it was considered not suitable to use rooftop areas to provide welfare/other facilities.

⁵ According to LC Paper No [CB\(1\)804/19-20\(03\)](#), HA had converted some vacant storerooms and spaces into over 20 welfare premises in recent years.

⁶ The overall vacancy rate of storerooms had been reduced from about 40% in 2017 to around 35% as of July 2020 (LC Paper No. [CB\(1\)905/19-20\(01\)](#)).

Restrictions on provision of additional non-domestic facilities in existing estates

12. In view that HA often could not add facilities in existing public housing estates for meeting residents' need owing to planning restrictions, such as restriction on the total permissible gross floor area, members opined that HA should explore with relevant government departments the adoption of a more flexible approach to facilitate the provision of community or social welfare facilities.

13. The Administration advised that in general, in handling requests for additional common facilities in public housing estates, HA needed to conduct feasibility studies including on the technical aspects, requirements under relevant ordinances and the restrictions under the conditions of Government leases (if applicable), etc., and take into account residents' views. If providing the additional facilities involved alteration and additional works or change of use, submission of plans for the approval of the Independent Checking Unit under the Permanent Secretary for Transport and Housing (Housing) would be required. If the land on which the estate concerned was situated was subject to conditions of a Government lease, application to the Lands Department for approval was required. If there were other owners in the estate, consent from owners concerned would also be required for carrying out works on common areas of the estate.

Providing additional car parking facilities

14. Members opined that public housing residents' demand for car parking facilities might increase following the improvement of their financial conditions. Given the limited number and locations of park-and-ride facilities in the vicinity of railway stations, HA should provide more parking spaces in its public housing developments, and consider requesting the relevant government department to review the planning standards on car parking spaces in public housing estates.

15. The Administration advised that when planning the provision of parking spaces for new public housing projects, apart from providing as far as practicable parking spaces at the upper end of the standards stipulated in the Hong Kong Planning Standards and Guidelines, HA would also increase the number of visitors' parking spaces from two or three private car parking spaces per SSF block to up to five private car parking spaces per public rental housing block / SSF block, as far as practicable. As regards existing car parks and estates, it was necessary for HA to consider the technical feasibility for increasing parking spaces,

including whether there was adequate turning space for vehicles, and whether there was adequate width for the driveway, etc. It was also necessary for HA to consult the Transport Department. Where the estate was covered by a Government lease with restriction on the number of parking spaces, consent or waiver from the Lands Department might also be required. Most importantly, it was necessary to consult the local residents to ensure that they supported the proposal of increasing parking spaces.

16. On members' enquiry about the provision of underground space in future public housing projects for use as carparking facilities, the Administration advised that HA had been adopting the public housing development principles of optimizing site potential and building in a sustainable manner in order to make the best use of every piece of land. Therefore, on the premises of the compliance to the statutory requirements and no impact on the public housing development (including its flat production, time and cost effectiveness), on individual project basis, HA would also consider constructing underground space such as basement for non-domestic facilities (e.g. carparks). Some of HA's carparks were situated below the podium of domestic buildings.

Redevelopment of factory estates

17. Regarding the initiative announced in the 2019 Policy Address to explore the feasibility of redeveloping six factory estates of HA for public housing use, members opined that the Administration/HA should expedite the relevant study.

18. The Administration advised that the preliminary findings of HA's study indicated that three of the factory estate sites could be used for public housing development. As HA's factory estate sites were situated in industrial or industrial-office areas, HA must carry out relevant technical assessments to ascertain whether these sites were suitable for residential use. It was expected that the necessary studies could be completed in the first quarter of 2021. Rezoning procedures would then be conducted in accordance with the Town Planning Ordinance (Cap. 131). Upon moving out of factory estates tenants, works such as demolition and decontamination would be conducted. It was estimated that a total of over 3 000 public housing units would be provided in 2031.

Management of retail facilities

19. In view that under the single-operator letting arrangement for HA's markets, the operators to which tenancies were awarded by HA for operating single-operator markets ("SOM tenants") might directly operate the stalls in the markets instead of leasing them to other stall operators, members were concerned whether there was sufficient competition among stalls.

20. The Administration advised that to ensure effective operation of the market, SOM tenants might sometimes need to directly operate the stalls according to the actual circumstances. For example, when no operator was interested in providing certain types of goods or services, direct operation of stalls by SOM tenants could meet the tenancy requirement of providing certain proportion of food and miscellaneous trades. This arrangement could also help reduce the vacancy rate and satisfy customers' needs. HA's Commercial Properties Committee had endorsed enhancement measures in March 2017 to restrict the area of direct operation by SOM tenants to not more than 20% of the total internal floor area of the market stalls. HA considered that such enhancement would be able to strike a balance between the need to maintain flexibility of the operation of single-operator markets and the need to address public concern.

Ward offices in public housing estates

21. On some members' concern about the difficulties faced by District Councillors in setting up their ward offices in HA's estates in their constituencies, the Administration advised that in the 2019 District Council Election, among the total of about 450 constituencies under the 18 administrative districts in Hong Kong, 230 constituencies had premises managed by HA situated within their respective boundaries. In around 190 public housing estates and SSF developments under HA, HA had provided about 340 ward offices. Due to limited space in public housing estates and the keen demand for use of non-domestic premises in public housing estates to provide various types of services to residents, HA was not able to provide ward offices in public housing estates for all councillors. For District Councillors who were not able to lease a ward office in the public housing estates within their respective constituencies, they might choose to lease ward offices in other constituencies within the same District Council under the second priority of allocation or have joint tenancies with other councillors. Some councillors had also leased private premises for ward offices.

Council questions

22. Questions on various issues related to use of non-domestic premises of HA, including redevelopment of factory estates and allocation mechanism of ward offices were raised at the Council meetings of 18 December 2019, 8 January 2020, 20 May 2020 and 28 April 2021. The Council questions and the Administration's replies are hyperlinked in the **Appendix**.

Latest development

23. The Administration will brief the Panel on the utilization of non-domestic premises of HA at the meeting on 5 May 2021.

Relevant papers

24. A list of relevant papers is set out in the **Appendix**.

Council Business Division 1
Legislative Council Secretariat
30 April 2021

Appendix

Use of non-domestic premises of the Hong Kong Housing Authority

List of relevant papers

Council/Committee	Date of meeting	Papers
Panel on Housing	4 March 2019	Administration's paper on use of non-domestic premises of the Hong Kong Housing Authority (LC Paper No. CB(1)634/18-19(05)) Minutes of meeting (LC Paper No. CB(1)1318/18-19) Administration's supplementary paper (LC Paper No. CB(1)358/19-20(02))
Council	18 December 2019	Council question on redevelopment of factory estates under the Hong Kong Housing Authority
Council	8 January 2020	Council question on redevelopment of factory estates under Hong Kong Housing Authority
Council	20 May 2020	Council question on redevelopment of factory estates of Hong Kong Housing Authority
Panel on Housing	6 July 2020	Administration's paper on use of non-domestic premises of the Hong Kong Housing Authority (LC Paper No. CB(1)804/19-20(03)) Minutes of meeting (LC Paper No. CB(1)945/19-20) Administration's supplementary paper (LC Paper No. CB(1)905/19-20(01))
Council	28 April 2021	Council question on allocation mechanism of ward offices in Housing Authority's public housing estates