

LCQ12: Shopping centres in public housing estates under the Hong Kong Housing Authority

Following is a question by the Hon Vincent Cheng and a written reply by the Secretary for Housing, Ms Winnie Ho, in the Legislative Council today (May 8):

Question:

It is reported that recently, numerous shops have been left vacant in many shopping centres in public housing estates (PHEs) under the Hong Kong Housing Authority (HA), while supermarkets, shops selling daily necessities, etc, have also surrendered their tenancy, greatly affecting the daily lives of the residents. In this connection, will the Government inform this Council:

(1) of the following information on the shopping centres in PHEs under the HA in the past year: (i) the number of shops, (ii) the number of vacant shops, and (iii) the vacancy rate, and set out in Table 1 a breakdown by District Council (DC) district;

Table 1

DC district	(i)	(ii)	(iii)

(2) of (i) the number of vacant shops and (ii) the vacancy rate of the seven shopping centres in PHEs in the Sham Shui Po District under the HA (i.e. (a) Shek Kip Mei Shopping Centre, (b) Ching Lai Commercial Centre, (c) Nam Shan Shopping Centre, (d) So Uk Shopping Centre, (e) Lai Tsui Shopping Centre, (f) Hoi Lai Shopping Centre, Sham Shui Po and (g) Pak Tin Commercial Centre) in each of the past five years, and set out in Table 2 a breakdown by name of shopping centre;

Table 2 Year:

Name of shopping centre	(i)	(ii)
(a)		
.....		
(g)		

(3) as there are views pointing out that high rental is one of the reasons for the many vacant shops in the shopping centres in PHEs, whether the HA has

considered reviewing the mechanism for determining shop rents or lowering the rents to attract new and old tenants; if so, of the details; if not, the reasons for that;

(4) whether the HA will, in view of the rising shop vacancy rates of the shopping centres in PHEs, review the principles for formulating the types of trades and tenant trade mix of the shops in the shopping centres in PHEs; if so, of the details; if not, the reasons for that; and

(5) as some members of the local community in Sham Shui Po have proposed organising crowd-pleasing activities or providing other concessions at the shopping centres in PHEs within the district to attract visits and patronage by more members of the public and create an ideal business environment for the tenants, thereby lowering the shop vacancy rates, whether the HA will consider adopting the relevant proposals; if so, of the details; if not, the reasons for that?

Reply:

President,

In response to the questions raised by the Hon Vincent Cheng, our reply is as follows:

(1) As at March 31, 2024, the following information on the shopping centres in Public Housing Estates (PHEs) under the Hong Kong Housing Authority (HA) in the past year: (i) the number of shops, (ii) the number of vacant shops, and (iii) the vacancy rate, are set out in Table 1 by District Council (DC) district:

Table 1 Situation of Commercial Premises in PHEs under the HA

	2024			
ã€€	District	(i) No. of Premises	(ii) No. of Vacant Premises	(iii) Vacancy Rate#
1	Central and Western District	0	0	Not Applicable
2	Wan Chai District	0	0	Not Applicable
3	Eastern District	95	1	0.41%
4	Southern District	151	2	0.67%
5	Yau Tsim Mong District	0	0	Not Applicable
6	Sham Shui Po District	506	42	5.32%
7	Kowloon City District	141	3	2.31%

8	Wong Tai Sin District	200	4	0.99%
9	Kwun Tong District	573	33	3.36%
10	Tsuen Wan District	186	8	2.79%
11	Tuen Mun District	114	7	4.08%
12	Yuen Long District	111	6	1.6%
13	North District	102	2	0.73%
14	Tai Po District	13	1	1.19%
15	Sai Kung District	13	0	0%
16	Sha Tin District	330	30	3.66%
17	Kwai Tsing District	230	16	2.9%
18	Islands District	64	0	0%
Total no./overall vacancy rate	-	2 829	155	2.93%

Vacancy rate is calculated by: total vacant internal floor area/total internal floor area x 100%.

Nevertheless, at the same time, there were new shopping centres completed in various districts. During the past five years, 15 new shopping centres were completed with a total of 296 new shop premises.

(2) As at March 31 each year, (i) the number of vacant shops and (ii) the vacancy rate of the seven shopping centres in PHEs in the Sham Shui Po District under the HA (i.e. (a) Shek Kip Mei Shopping Centre, (b) Ching Lai Commercial Centre, (c) Nam Shan Shopping Centre, (d) So Uk Shopping Centre, (e) Lai Tsui Shopping Centre, (f) Hoi Lai Shopping Centre, Sham Shui Po and (g) Pak Tin Commercial Centre) in the past five years, are set out in Table 2 by name of shopping centre:

Table 2 Situation of Commercial Premises in PHEs of Sham Shui Po District under the HA

Shopping Centre	2024		2023		2022		2021		2020	
	(i) No. of Vacant Premises	(ii) Vacancy Rate#	(i) No. of Vacant Premises	(ii) Vacancy Rate#	(i) No. of Vacant Premises	(ii) Vacancy Rate#	(i) No. of Vacant Premises	(ii) Vacancy Rate#	(i) No. of Vacant Premises	(ii) Vacancy Rate#
(a) Shek Kip Mei Shopping Centre	6	5.27%	0	0%	3	1.22%	1	0.38%	1	0.39%

(b) Ching Lai Shopping Centre	1	9.09%	0	0%	0	0%	0	0%	0	0%
(c) Nam Shan Shopping Centre	0	0%	6	1.32%	2	2.01%	0	0%	0	0%
(d) So Uk Shopping Centre	4	11.40%	2	5.15%	3	9.89%	3	7.44%	4	10.96%
(e) Lai Tsui Shopping Centre	8	15%	1	1.36%	4	5.90%	4	10.82%	0	0%
(f) Hoi Lai Shopping Centre	8	11.28%	0	0%	0	0%	4	5.13%	3	4.74%
(g) Pak Tin Shopping Centre (Completed in July 2021)	6	4.50%	2	2.26%	3	4%	-	-	-	-
Total no./overall vacancy rate	33	6.88%	11	1.51%	15	3.34%	12	3.45%	8	3.09%

Vacancy rate is calculated by: total vacant internal floor area/total internal floor area x 100%.

(3) It is the established policy of the the HA to let its commercial premises on commercial principles. The rent for both new lettings by way of open tender and tenancy renewal is assessed based on the prevailing market value. In assessing the market rent of the premises, latest market condition, rental information of comparable lettings in the HA and private property market and relevant factors that would affect rental value, such as location, trade designation, size, pedestrian flow of the premises as well as property market condition, etc., will be taken into consideration. If commercial tenants have any views on the assessed rent upon tenancy renewal, they may approach the estate office for discussion. The Housing Department (HD) will keep in view the economic situation and relevant measures of the Government and provide appropriate assistance to the HA's commercial tenants where necessary.

(4) In the letting of commercial premises, the HD will determine the trade mix of shopping centres and the trades of individual shops by taking into account the daily needs of local residents, the surrounding environment of the estates, retail facilities in the vicinity, scale of the shopping centres, retail market condition, technical feasibility, etc. The HD will also keep in view the business situation and trade mix of its shopping centres and adopt flexible letting strategies to refine the trade mix and consider change of trades of individual shops with due regards to market condition, views of local stakeholders and technical viability, with a view to improving the letting rate and providing residents with appropriate and well diversified shopping and service choices.

(5) To enhance patronage and attract visitors, the HD launches various kinds of promotional activities and free parking offers for shopping centres in PHEs from time to time. Promotional activities such as gift redemption, large-scale games, magic shows, clown performances, snacks and game booths, etc., will be arranged during major festivals and special occasions such as Mid-Autumn Festival, Christmas and Lunar New Year. Festive decorations will also be set up to enhance the shopping ambience and boost footfalls. In addition, the HD will set up suitable promotional spots, such as prominent places at entrances and shop fronts of shopping centres to assist shop tenants in distributing or placing promotional leaflets to enhance publicity and disseminate promotional information, with a view to attracting customers. We always welcome good suggestions from local community in order to enhance the attractiveness of our shopping centres in PHEs.