

Doc Type	CPC
Paper No	20/94
Title	Conversion of Bank Premises at Shop Nos. 111-115 & 117-120, Block 1, Shek Kip Mei Estate
CONTENTS	<p>CPC 20/94 MOC 51/94</p> <p>THE HONG KONG HOUSING AUTHORITY</p> <p>Memorandum for the Commercial Properties Committee and the Management and Operations Committee</p> <p>Conversion of Bank Premises at Shop Nos. 111-115 & 117-120, Block 1, Shek Kip Mei Estate</p> <p>PURPOSE</p> <p>To inform Members of the change of use of the former Hongkong and Shanghai Banking Corporation Ltd. (HSBC) branch in Shek Kip Mei Estate as a Blood Donor Centre operated by the Hong Kong Red Cross (HKRC).</p> <p>BACKGROUND</p> <p>2. Shop Nos. 111-115, Block 1, Shek Kip Mei Estate were first let to HSBC on 1 July 1965. Additional Units No. 117- 120 were granted to the bank for expansion in 1984. The tenancy for the total area of 183m² has been renewed several times with the latest 3-year term expiring on 30 June 1996 at a rent of \$74,000 per month.</p> <p>3. In Paper No. CPC 3/94, Members were informed of the arson attack on 10 January 1994 which resulted in the tragic death of 12 staff members of HSBC. Following the accident, HSBC has indicated that it will not re-open the branch and sought permission to licence the premises to HKRC as a Blood Donor Centre for the remaining term of the tenancy.</p> <p>PROPOSED ARRANGEMENTS</p> <p>4. HSBC has undertaken to remain as the tenant and comply with all the obligations including the payment of rent as provided under the tenancy agreement, until expiry of the current term on 30 June 1996. HSBC will execute a licence agreement with the HKRC to operate the Blood Donor Centre, under which the licensee would not be required to pay any fee to the licensor but would be responsible for the payment of rates and all other utility charges payable in respect of the premises. HSBC undertakes to bear full responsibility for the conversion of the premises at an estimated cost of \$1M. This includes the reinstatement of a rear exit as an additional means of escape and the installation of a fire detection system to meet the latest requirements of the Fire Services Department.</p> <p>- 2 -</p>

5. HKRC has indicated that subject to the satisfactory operation of the new Centre, they would be interested in taking up a tenancy from the Authority as from 1 July 1996 at an appropriate rent payable in respect of welfare lettings.

THE DEPARTMENT'S VIEWS

6. The Department recognizes HSBC's difficulties in continued provision of banking services from the premises, and feels that the proposed use is appropriate in the circumstances.

7. In view of the recent tragedy, it is not expected that the premises would be suitable for commercial or retail activities in the immediate future. As the block is scheduled for redevelopment in six years' time, the proposed arrangements are considered to be in the best interest of the Authority.

8. Banking Services continue to be available from a number of banks in the vicinity, including a Standard Chartered Bank and a China State Bank immediately opposite the premises.

IMPLEMENTATION

9. HSBC is keen to have the Centre open as soon as possible, preferably in August 1994 when the conversion work can be expected to complete.

INFORMATION

10. This paper is issued for Members' information.

---0---0---0---

File No. : L/M in HD(H)CP 6/21/1 B

Date : 16 May 1994

[Back](#)