

CPB will develop B10bn city project

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The Crown Property Bureau (CPB) plans to invest more than 10 billion baht to develop a huge mixed-use project in Bangkok over the next five years.

"This will be the first time in the 66-year history of the CPB that we're developing a property project on our own," said director-general Chirayu Isarangkun Na Ayuthaya.

The CPB is a quasi-government agency responsible for managing crown property, supervised by a board chaired by the finance minister.

It will build Lang Suan Village on 52 rai on Lang Suan Road in the central business district (CBD) under the concept of a high-quality project in a benign environment that causes no traffic problems and ensures equal benefits for all stakeholders.

The plot runs from Lang Suan Soi 1 to Sarasin Road. Leasehold residential projects will cover 30 rai, while a five-star hotel and a museum will be built on seven rai.

The other 15 rai will be used for general and public use, a walking street, road and individual shops that will be rented out to former tenants.

Despite the project having a floor area ratio of up to 10 times, the CPB will use only half of it because it plans to have green areas within the development, which will not be too crowded.

The project will be developed by one of its subsidiaries, Siam Sindhorn Co, which was established in 1987 with registered capital of 1 billion baht. It will be also developed to win Leadership in Energy and Environmental Design certification.

"With bidding methods we have used in the past, it can be difficult to ask bidders to follow our policies, as bidders will consider maximum profit," Mr Chirayu said yesterday.

"Our new policy of property development will be applied to high-potential land

plots in the future."

CPB recently launched bidding for its 92-rai plot at the intersection of Wireless and Rama IV roads, where the pre-cadet school was formerly situated.

After 21 bids, it awarded a leasing contract to a consortium owned by whisky tycoon Charoen Sirivadhanabhakdi.

The successful proposal by the consortium comprising Univentures Plc and TCC Assets (Thailand) includes a comprehensive development plan for the site.

The lease, signed last month by both parties, is for 30 years, with an option to renew for an additional 30 years.

The project will consist of a cultural venue, hotels, residences, commercial offices, a low-rise retail and entertainment complex and educational or medical facilities on 62 rai.

Open areas, infrastructure, green spaces and public event areas will cover the rest.

The development is expected to be a multibillion-baht project, although no exact figures were given.

"The Lang Suan project was initiated more than a decade ago. We have studied the location's potential and made a plan that will take into account former tenants," Mr Chirayu said.

The CPB will also develop a leasehold residential project on a five-rai plot on Lang Suan Road next to Mater Dei School, opposite the 52-rai plot.

All residential projects on Lang Suan Road will give the right to former tenants to rent a unit.

The CPB has land plots nationwide totaling 41,000 rai. About 93% of plots are used by government agencies, state enterprises, non-profit organisations and the public.

They are rented to low- and middle-income earners at low rates.

The other 7% are situated in high-potential locations in the CBD for commercial use at market rental rates.