

# \$820m new town deal will give homes to 140,000

By MAUREEN FAN

THE Territory Development Department yesterday signed its biggest deal to date that will turn 240 hectares of mostly fishponds into private and public housing for 140,000 people.

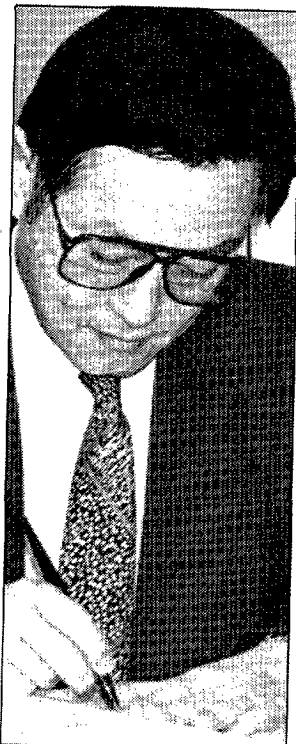
The \$820 million land formation contract with a joint venture company means the reclaimed land will be drained and filled with sand to enable the initial construction of the Tin Shui Wai new town.

Up to two million cubic metres of sand will be extracted from a marine borrow area near Deep Bay, transported and pumped on to shore at Tin Shui Wai.

A provision in the contract also allows Government to authorise the joint venture company to complete formation of the entire Tin Shui Wai landholding — a \$1 billion project covering 488 hectares.

Director of Territory Development Mr K. K. Kwok signed on the dotted line with representatives of the China State Construction Engineering Corporation and a West German contractor, Bilfinger and Berger Bauaktiengesellschaft.

Work will start next Mon-



Mr K.K. Kwok signing the deal yesterday.

day and take about 3½ years to complete.

The Government is involved in a legal battle with the property's major developer but a Lands and Works Branch official earlier this

month said the decision to start site formation had nothing to do with the developer's claim suit.

In March 1986, Tin Shui Wai (TSW) Limited filed a \$783 million claim that Government had breached a 1982 agreement.

The company alleged it lost money due to Government delay in handing over the land. It said if it received the land on schedule it could have built and sold homes for profit.

Asked why the project had been shelved and delayed, Mr Kwok said: "I think we have really been going on lining up the development. Of course there have been a lot of technical difficulties.

"For instance, in order to locate the big amount of filling material for the landfill, which amounted to 20 million cubic metres, a very intensive search had to be carried out and that took time."

People will begin moving in to the new town in 1991 and the initial population estimates should be reached by 1996, Mr Kwok said.

The Kowloon Canton Railway Corporation will proceed with its plans to construct a light rail branch line into Tin Shui Wai by 1991.