

City Hall Mulls Forcing Industrialists to Renovate Property

By [The Moscow Times](#)

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Moscow City Hall is drawing up legislation that would oblige owners of real estate in the city's industrial zones to pay for the renovation of their property out of their own pockets or lose it, real estate analysts RWAY reported.

At a meeting in the State Duma last month, Konstantin Timofeyev, head of City Hall's construction investment committee, said authorities would force owners to revamp their properties or hand them over to the city. "Naturally, compensation will be considered," he added, without going into detail.

Swathes of Moscow are designated as industrial zones, but more than two decades on from the collapse of the Soviet Union much of the territory stands derelict. Efforts by City Hall to renew the areas have been hampered by, among other things, the difficulty of getting owners to agree to redevelopment plans.

What price City Hall will pay for any property it receives is unclear. Alexei Sidorov of real estate firm Kalinka Group told RWAY that "doubtless, it will not be market price, but a minimal value," adding, "I do not suppose that everyone will be happy."

In general, however, Sidorov supported the plan, saying that it would compel ineffective owners to give up their assets, resulting in the consolidation of ownership in industrial territories and "the appearance of stronger entities that are capable of developing them."

See also:

[Moscow Considers Industrial Zone Revamp](#)

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