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Pushkin Square Spared Construction

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City Hall issued an order late last week to stop the construction work under Pushkin Square, and if the investor in the project wants to continue, it will have to reduce the size of the commercial space or eliminate it altogether.

Responding to protests by residents, acting Mayor Vladimir Resin put a hold on the project, according to a statement on the city's main construction web site.

The city issued a decree Dec. 1, 2004, stating that the project's investor would be a firm called Tverskoi Commercial & Leisure Center. The holding is 62 percent owned by Turkey's MNG Holding, 30 percent by the city property department — which was planning to sell its stake — and 8 percent by a company called Business Professional.

The project included a tunnel running under Pushkin Square, which would be part of the Bolshaya Leningradka road redevelopment. It would also feature a commercial-leisure center of more than 96,000 square meters and parking for 850 to 1,000 cars.

The total investment was planned to be about $150 million. As per the decree, the project should have been finished by 2007, but the deadline was later extended to 2009.

The construction work was never started. But judging from the number of lawsuits brought against Tverskoi, the company managed to find future renters for the commercial space.

The Wild Orchid lingerie company asked a Moscow court to help it get back 4.8 million rubles ($157,000), plus 1 million rubles interest, which it paid for rights to rent 77.8 square meters in the future underground shopping center.

Alexander Fyodorov, a co-owner of Wild Orchid, confirmed the lawsuit and said the company has partially won — the court just has not agreed to award the interest payment.

The only thing Tverskoi managed to accomplish was an initial archeological dig and a study of the basements of nearby buildings, a source at City Hall said. He blamed the delay on the fact that the design for the project was never presented at a public hearing and therefore it never got its final approvals.

"The city's proposal is to continue with the tunnel, parking, common public areas and entertainment space, but cancel the commercial space, or cut it to a bare minimum. But the investor didn't want to give up the commercial space," the source said.

The head office for MNG Holding recommended contacting Tverskoi for comment, but no one answered the phone there Friday.

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