

City Land Agency Added to Bureaucracy

By Rachel Nielsen

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A new city agency will address land use related to the expansion of Moscow's borders to the southwest. **Maxim Stulov**

The mayor's office has created a new agency to inventory land, potentially giving developers an easier time of buying and building up plots in those areas of the Moscow region that will be joined with the capital next month.

Called the Moscow Real Estate Center, the agency will be part of the city's Land Resources Department. Mayor Sergei Sobyanin signed the agency into existence on June 13, according to the city's <u>website</u>.

According to the directive, the agency is supposed to address land use related to <u>the southwest</u> <u>expansion</u> of Moscow's borders, which President Dmitry Medvedev proposed last June and the Federation Council formally approved in December.

The agency is tasked with conducting an inventory of land and making cadastres, or registers consisting of value and ownership information for plots of land. Also assigned to the agency is

the task of settling issues of land ownership so that government departments can buy land in the areas being added to Moscow, the directive said.

The Moscow region government theoretically should have cadastre records for all of its land plots that could be shared with City Hall. In reality, many pieces of the region haven't been assessed. Regional governor Sergei Shoigu said at a <u>meeting</u> with local officials earlier this month that more than 122,000 plots in the region currently aren't producing any property tax revenue.

It will be more efficient for the city to assemble its own land records than to rely on the region's, said Roman Zaitsev, a lawyer and associate with the Moscow office of law firm Salans.

"It is easier to do it over," he said in a telephone interview.

There are various reasons for this, he said. A new cadastre won't incorporate existing mistakes in land records, and it will be simpler to organize a new system from scratch.

The flood of up-to-date land information could be a boon for developers.

With more detailed and accurate information about the area that will become part of Moscow, the development process will be "more civilized," said Alexei Filimonov, general director of real estate consultancy Astera.

"It should have been done 20 years ago," he said, adding that it's better late than never.

"After they organize this information, [there will be] more access for market players," Filimonov said by phone. "There will be less corruption."

It is possible, however, that such a database for land being transferred from the region to the capital might lead to more backroom deals. Vedomosti cited an anonymous source in an article last week who said local authorities are using the transfer for quick approvals of development projects.

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