

City Wants More Control Over New Territory

By [The Moscow Times](#)

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Deputy Moscow Mayor Marat Khusnullin has sent to the Economic Development Ministry a draft federal law on land regulation in the new territory of Moscow that would give the city sole authority over the land, allowing it to confiscate and redistribute property more quickly and without bidding.

The ministry is studying the bill, said Andrei Ivakin, a department director at the ministry.

The law currently allows for the confiscation of private land for the needs of the government — for construction of infrastructure facilities, for example — by decision of federal or local executive authority, and the decision is recorded by Rosreestr.

The authorities must notify a landowner of the confiscation at least a year in advance.

After that, there are two possibilities. An assessment can be made and a deal struck if

the owner agrees to it. Otherwise, the matter goes to court.

If there is no trial, the procedure takes at least a year and half, said Yelena Gavrilina, senior lawyer of Egorov, Puginsky, Afanasiev and Partners.

The city administration is proposing to reduce the warning time from one year to five months. The authorities would make a decision (nothing is said about registering it), publish it, and two months later the landowner would be sent an agreement on the confiscation to sign. If the owner does not sign the agreement within three months, the authorities would take him to court.

Moscow authorities also want exclusive rights to reallocate land and contracts. That is, they would distribute the land and appoint contractors by decree, rather than by competitive bidding.

Currently, only the federal government has that right. For example, the president appointed Aras Agalarov the developer of Russky Island, ahead of the summit in Vladivostok, and Mostotrest was appointed to build the roads to Skolkovo.

For owners of real estate subject to seizure, procedures and regulations are extremely stringent, says Baker & McKenzie partner Maxim Kuznechenkov.

For example, if the objects being built on the confiscated land won't be paid for with budget funds, the former owners will have the right to claim damages from the persons to whom land was granted. But if there are manufacturing facilities on the territory, it will be very hard for the owner to arrange their transfer in a timely manner, even with state compensation for losses, he said.

The rules proposed in the bill would be applied only to objects of engineering, transport and social infrastructure included in a special list subject to approval by the government, the city construction department's press service said. According to an official in the mayor's office, the bill is a rough draft and will be further refined. A construction department representative said he hopes that the document will be submitted to the Duma in the fall.

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