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Zenit Stadium Contract Likely to Be Extended

By The Moscow Times

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The St. Petersburg city administration is likely to extend a contract to build the 35 billion ruble ($1.09 billion) stadium for the 2018 World Cup with billionaire Oleg Deripaska's Transstroi after it expires this year, governor Georgy Poltavchenko said.

The city authorities are considering two options — prolonging the existing contract or announcing a tender to select a new developer, Poltavchenko said after visiting the site Saturday. The latter will inevitably lead to delays in construction works, he added.

"Any tender means a delay for a year at least, but we can't suspend construction," he said, according to a statement on the Smolny website. He also praised the current pace of work at the site and pointed out that the construction costs of Zenit-Arena, as the stadium is called, might be further reduced by leaving the interior design of the stadium's commercial space to future tenants.

The facility will also get surrounding infrastructure, with a new metro station — Novokrestovskaya — to be built nearby, Poltavchenko said.

The controversial project launched in 2007 made headlines last year after its construction costs jumped from the initial 6.7 billion rubles to 44 billion rubles — an increase that Transstroi attributed to expensive technologies being implemented in the stadium.

The St. Petersburg authorities claimed at that time that the city would terminate the contract with Transstroi before the expiration date if no agreement on cost optimization were reached.

The budget for the stadium, which is expected to be completed by 2015 and become the home field for local football club Zenit, was later revised to 34.9 billion rubles.

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