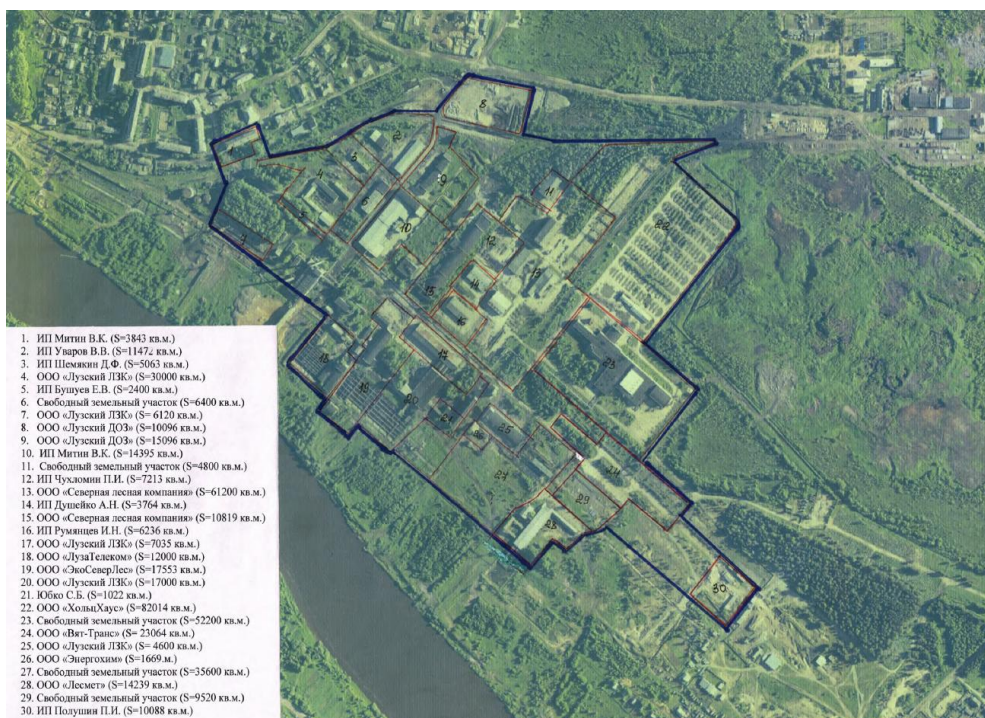


Luza Industrial Park (brownfield)

Kirovskaya Oblast, Luza



Vacant industrial **land**, ha

4.04

SITE BRIEF:

[General Information; Location; Contacts](#)

[Transport accessibility](#)

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General Information; Location; Contacts

	Site characteristics	Description
1	Name	Luza Industrial Park
2	Type (industrial site, industrial park, technological park, tourist and recreation area benefiting from favourable social and economic policies)	Industrial park
3	Type of ownership (private, public, public-private)	Private
4	Location and web-site (e-mail)	Ul. Truda 1, Luza, Luza District, Kirovskaya Oblast, Russia, 613980
5	Management company or similar (MC)	OJSC Development Corporation of Kirovskaya Oblast
6	MC Address (postal, electronic, web-site)	Ul. Narodnaya 28, Kirov, Russia, 610042
7	MC contact responsible for relations with potential residents (full name, title, phone number and e-mail)	Roman N. Mikheev, Director of Investment and Innovation Activities, (8332) 411-960, +7 919-503-33-56, email: prompochta@mail.ru
8	Site Development Concept (web-site, if any) (yes/no)	Yes www.razvitie43.ru

9	Site business lines (major projects, SME projects, mixed-type projects)	<p>Added-value wood processing and other manufacturing of hazard category IV-V</p> <p>Major projects:</p> <p>1. LLC Holz House Investment project <i>Starting the Production of Laminated Beams in the Single-Industry Town of Luza</i></p> <p>SME projects</p> <p>2. Individual Entrepreneur Mitin Implementation of the business plan to launch a furniture workshop within the territory of LLC Luza Forest Industry Complex</p> <p>3. LLC Luza Wood Processing Plant Implementation of the business plan for pellet production; implementation of the business plan for waste storage and treatment</p> <p>4. LLC GGK Implementation of the business plan for wood processing</p> <p>5. LLC Energokhim Implementation of the business plan for pellet production</p> <p>6. Individual Entrepreneur Rummyantsev Implementation of the business plan for wood processing</p> <p>7. LLC Lesmet Implementation of the business plan for wood processing</p> <p>8. LLC Luza Logging Complex Implementation of the business plan for house building; repair of logging equipment; implementation of the business plan for wood processing; implementation of the business plan for car loading</p> <p>9. Individual Entrepreneur L.A. Rogova Implementation of the business plan for coal production</p> <p>10. LLC LuzaTelekom Implementation of the business plan for wood processing</p> <p>11. LLC North Forest Company Investment project <i>Establishment of the Added-Value Wood Processing Enterprise in Luza District, Kirovskaya Oblast</i></p> <p>12. LLC EcoSeverLes Implementation of the business plan for wood processing</p> <p>13. Individual Entrepreneur A.N. Dusheyko Implementation of the business plan for metalworking</p> <p>14. Individual Entrepreneur P.I. Polushin Implementation of the business plan for integrated wood processing</p> <p>15. Individual Entrepreneur P.I. Chukhlomin</p>
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		Implementation of the business plan for integrated wood processing 16. Individual Entrepreneur D.F. Shemyakin Implementation of the business plan for converted timber drying 17. LLC Profiles Implementation of the business plan for wood storing and shipping
10	Industry specialization	Wood processing and woodwork; transport and communications

Transport accessibility

	Characteristics	Current status	Projections
1	Distance to the nearest town	Luza, 0 km; Lalsk, 30 km	—
2	Distance to the regional centre	Kirov, 293 km (by rail)/501 km (by road)	—
3	Distance to Moscow	980 km	—
4	Distance to the nearest highway	0.1 km	—
5	Any road connecting the Site with the nearest highway, distance, road pavement and condition	0.1 km, asphaltic concrete pavement and reinforced concrete pavement, satisfactory	—
6	Any motor roads across the Site (yes/no)	Yes	—
7	Any connections to railways (yes/no)	Yes	—
8	Any offloading rail terminal facilities (yes/no)	Yes	—
9	Distance to the nearest international airport	Aeroport settlement, 1, Nizhny Novgorod, Russia, 710 km; Talagi, Arkhangelsk, Arkhangelskaya Oblast, Russia, 930 km	—
10	Distance to the nearest river port	Vologodskaya Oblast, Veliky Ustyug, ul. Naberezhnaya 72, 120 km	—
11	Distance to the nearest sea port	Arkhangelsk, Arkhangelskaya Oblast, Russia, Cargo-handling area <i>Bakaritsa</i> and cargo-handling zone <i>Left Bank</i> , 930 km	—

Infrastructure

	Characteristics	Current status	Projections
<i>Plots of land</i>			
1	Total area of the Site (ha)	48.65	48.65
2	Vacant plots of industrial land within the Site limits (ha)	<u>4.04</u>	If applications for the site purchase are made, the plots of land will be demarcated and put up for auction
<i>Industrial property</i>			
3	Existing production and storage premises (sq. m)	55432.3	—
4	Vacant industrial property (sq. m)	—	—
5	Maximum height of vacant premises (to the girder, m)	—	—
<i>Office property</i>			

6	Total area of the office property (sq. m)	—	—
7	Vacant area of the office property (sq. m)	—	—
Utilities			
8	Electric mains (yes/no); available load (MW)	Yes, 3	Yes, 3
9	Heat supply system (yes/no); contracted capacity (Gcal/h)	No	Yes
10	Water supply network (yes/no); maximum switched load (cu. m/h)	Yes, 8000 cu. m/day	Yes, 1000 cu. m/day in 2016
11	Sewerage system (sanitation, storm wastewater treatment facilities (yes/no); facilities capacity (cu. m/h)	Yes, 6000 cu. m/day	Yes, 1000 cu. m/day in 2015-2016
12	Gas supply system (yes/no); contracted capacity (cu. m p.a.)	No	No
13	Other utility networks (yes/no) (if yes, specify)	No	No
Workforce			
14	Nearest settlements, distance (km)	Luza, 0 km; Lalsk, 30 km	Luza, 0 km; Lalsk, 30 km
15	Transport service between the Site and the settlements	Yes	Yes
16	Total workforce estimates within a 50-km radius of the Site (people, thousand)	8.5	8.7 in 2020
17	Approximate number of unoccupied able-bodied population (people, thousand)	0.26	0.2 in 2020
18	Average monthly pay of technical staff (RUB, thousand)	13.1	17.7 in 2020
19	Average monthly pay of managerial staff (RUB, thousand)	18.2	23.0 in 2020
Social infrastructure in 30-minute proximity to the Site			
20	Canteens or cafes at the Site (yes/no)	No	No
21	Hospitals (yes/no, proximity to the nearest one)	Yes, 3 km	Yes, 3 km
22	Shops (yes/no, proximity)	Yes, 0.5 km	Yes, 0.5 km
23	Housing for the Site staff (yes/no, proximity)	Yes	Yes
24	Hotels for the Site staff (yes/no, proximity)	Yes, 0.02 km, 2 km	Yes, 0.02 km, 2 km
25	Conference hall, business area (yes/no)	No	No
26	Sport facilities (yes/no)	Yes	Yes
27	Recreation areas at the Site (yes/no)	No	No

Preferences for Residents

In terms of initial cost

	Preferences	Statutory document and approving authority	Statutory document validity
1	Subsidies on lease payments to acquire fixed assets	The respective procedure for granting subsidies will be approved in 3Q 2015	2015
2	Guarantees on fixed-asset loans to SME	Regulation on procedures and terms of providing by the Kirov Regional Fund for SME Support sureties to SMEs approved by the General Meeting of Founders of the Kirov Regional Fund for SME Support (protocol dd. 13.03.2014)	2014 - indefinite term
3	Other preferences (specify)		2015 - indefinite term
3.1	Privileged loans (microloans) to SMEs	Regulations on provision by the Kirov Regional Fund	term

		for SME Support of microloans to SMEs approved by the Presidium of the Kirov Regional Fund for SME Support (protocol dd. 07.04.2015 No. 1)	
3.2	Subsidies to SMEs to partially compensate for expenses incurred in acquiring fixed assets	The respective procedure for granting subsidies will be approved by the local authorities in 3Q 2015	2015 - indefinite term

In terms of operating costs

	Preferences	Statutory document and approving authority	Statutory document validity
1	Sectoral subsidies – support for certain industry manufacturers (subsidies to residents to effect lease payments)	Kirovskaya Oblast Law dd. 02.07.2010 No. 537-ZO <i>On Regulation of Investment Activities in Kirovskaya Oblast</i>	2010 - indefinite term
2	Subsidies on export support (partial subsidizing of exhibitions; interest rates subsidies)	Kirovskaya Oblast state program for SME Support for 2013-2020 approved by Resolution of the Kirovskaya Oblast Government dd. 10.12.2012 No. 185/741 Resolution by the Kirovskaya Oblast Government dd. 08.02.2010 No. 39/29 <i>On Granting Subsidies to Kirov Regional Fund for SME Support</i>	2012-2020 2010 - indefinite term
3	Subsidizing interest rates on loans to Site residents	Resolution by the Kirovskaya Oblast Government dd. 07.07.2011 No. 110/269 <i>On Implementation of Certain Provisions of Kirovskaya Oblast Law dd. 02.07.2010 No. 537-ZO On Regulation of Investment Activities in Kirovskaya Oblast</i>	2011 - indefinite term
4	Profit tax reliefs	Kirovskaya Oblast Law dd. 08.10.2012 No. 199-ZO <i>On Reduced Rate of Corporate Profit Tax Payable to the Regional Budget for Certain Categories of Taxpayers</i>	2012 - indefinite term
5	Property tax reliefs	Kirovskaya Oblast Law dd. 27.11.2003 No. 209-ZO <i>On Corporate Property Tax in Kirovskaya Oblast</i>	2003 - indefinite term
6	Other tax relief (specify in detail)	Kirovskaya Oblast Law dd. 30.04.2009 No. 366-ZO <i>On Setting of Graduated Tax Rates in Kirovskaya Oblast in Applying of the Simplified Taxation System by Taxpayers Who Have Chosen Profits Reduced by Expenses as an Object of Taxation</i>	2009 - indefinite term
7	Other tax relief (specify in detail)	Kirovskaya Oblast Law dd. 28.11.2002 No. 114-ZO <i>On Transport Tax in Kirovskaya Oblast</i> (for holders of patronage certificates of the Kirovskaya Oblast Governor)	2002 - indefinite term
8	Other preferences: (Public support for private investors-residents of intensive development park areas whose investment projects are put on the list of priority investment projects with a total investment volume of RUB 10 mn). Public support shall be	Resolution by the Kirovskaya Oblast Government dd. 07.07.2011 No. 110/269 <i>On Implementation of Certain Provisions of Kirovskaya Oblast Law dd. 02.07.2010 No. 537-ZO On Regulation of Investment Activities in Kirovskaya Oblast</i>	2011 - indefinite term

	provided in case of availability of funds for these purposes as may be required by the Kirovskaya Oblast law on the regional budget for the subsequent financial year (subsequent financial year and planning period). Residents of park areas shall receive public support in the form of subsidies from the regional budget resources on a non-repayable and non-refundable basis to partially compensate expenses if projects are implemented within park areas:		
8.1	To pay interest rates on loans raised by private investors, to effect lease payments including initial payments under lease agreements concluded. The amount of subsidies to effect initial payments under lease agreements concluded is based on 100% of documented expenses on initial payments but shall make no more than RUB 1 mn per annum for one investment project.	Resolution by the Kirovskaya Oblast Government dd. 07.07.2011 No. 110/269 <i>On Implementation of Certain Provisions of Kirovskaya Oblast Law dd. 02.07.2010 No. 537-ZO On Regulation of Investment Activities in Kirovskaya Oblast</i>	
8.2	To effect coupon payments to private investors attracting investments by issue of bonds for the first time. The amount of subsidies shall make no more than one half of the CB base rate applicable as at the date of submission by a private investor of the respective documents. However, subsidies to effect coupon payments shall not be granted to compensate expenses on penalties and fines paid by a private investor for late coupon payments.	Resolution by the Kirovskaya Oblast Government dd. 07.07.2011 No. 110/269 <i>On Implementation of Certain Provisions of Kirovskaya Oblast Law dd. 02.07.2010 No. 537-ZO On Regulation of Investment Activities in Kirovskaya Oblast</i>	
8.3	For staff professional training, development and improvement. The amount of subsidies shall make 50% of documented expenses on staff training/development but no more than RUB 150,000 per annum for one investment project.	Resolution by the Kirovskaya Oblast Government dd. 07.07.2011 No. 110/269 <i>On Implementation of Certain Provisions of Kirovskaya Oblast Law dd. 02.07.2010 No. 537-ZO On Regulation of Investment Activities in Kirovskaya Oblast</i>	
8.4	To carry out project works on creation of transport and/or utility infrastructure. The amount of subsidies shall make 20% of documented expenses on project works on creation of transport and/or utility infrastructure but no more than RUB 5 mn per annum for one investment project.	Resolution by the Kirovskaya Oblast Government dd. 07.07.2011 No. 110/269 <i>On Implementation of Certain Provisions of Kirovskaya Oblast Law dd. 02.07.2010 No. 537-ZO On Regulation of Investment Activities in Kirovskaya Oblast</i>	
8.5	To pay for services provided by heating,	Resolution by the Kirovskaya Oblast	

<p>water and power suppliers. The amount of subsidies shall make 20% of documented expenses on services provided by heating, water and power suppliers but no more than RUB 350,000 per annum for one investment project.</p>	<p>Government dd. 07.07.2011 No. 110/269 <i>On Implementation of Certain Provisions of Kirovskaya Oblast Law dd. 02.07.2010 No. 537-ZO On Regulation of Investment Activities in Kirovskaya Oblast</i></p>	
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Tariffs

	Characteristics	Unit of measure	Current status	Periodicity of Review
<i>Purposes of presenting vacant areas</i>				
1	Purposes of presenting vacant areas: - <u>sale</u> - lease - other forms of partnership (specify).	If applications for the site purchase are made, the plots of land will be demarcated and put up for auction		
<i>Lease</i>				
2	Lease rate for industrial areas	rubles/square meters per month excluding VAT	not leased out	-
3	Lease rate for office areas	rubles/square meters per month excluding VAT	not leased out	-
<i>Connection to electric networks</i>				
4	Cost of connection to electric networks	rubles/kW excluding VAT	1000 rubles/kW	Annually
<i>Utility services</i>				
5	Cost of contracted electrical capacity (capacity tariff)	rubles/kW* per month excluding VAT	Medium voltage – 4.60 rubles/kW; low voltage – 5.60 rubles/kW	Annually
6	Heat tariff	rubles/Gcal excluding VAT	2519.8	Annually
7	Water tariff	rubles/ cubic meters excluding VAT	39.78	Annually
<i>MC services</i>				
9	Logistics (yes/no)	-	-	
10	Staff recruitment (yes/no)	Employment service	-	
11	Maintenance/engineering (yes/no)	no	-	
12	Security (yes/no)	no	-	
13	Legal services (да/нет)	no	-	
14	Consulting, including raising funds for financing projects of residents (yes/no)	yes	-	
15	IT services (yes/no)	no	-	
16	Cleaning of grounds, garbage disposal (yes/no)	no	-	
17	Transportation of residents' personnel and providing private vehicles (yes/no)	no	-	
18	Banking services (settlement and cash services for residents) (yes/no)	no	-	
19	Services of a customs broker (yes/no)	no	-	
20	Leasing of premises (yes/no)	no	-	
21	Temporary storage warehouses (yes/no)	no	-	

22	Other services (specify)	no	-
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