URBAN HOUSING POLICY
IN KOREA
ACCORDING TO
PARADIGM SHIFT

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WHAT IS URBAN REGENERATION?

“comprehensive and integrated vision and action which leads to the resolution of urban problems and which seeks to bring about a lasting improvement in the economic, physical, social and environmental condition of an area that has been subject to change.” (Lichfield, 1992)

“the regeneration of urban areas to stem processes of economic, environmental, social & cultural decline that bring with them accompanying decay of the physical built environment.” (Roberts, 1999)
## Evolution of Urban Regeneration

<table>
<thead>
<tr>
<th>Period</th>
<th>Strategy and Orientation</th>
<th>Key Actors and Stakeholders</th>
<th>Environmental Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950s (Reconstruction)</td>
<td>Reconstruction and extension of older areas of towns and cities often based on a ‘master plan’; suburban growth.</td>
<td>National and local government; private sector developers and contractors.</td>
<td>Landscaping and some greening.</td>
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<tr>
<td>1960s (Revitalization)</td>
<td>Continuation of 1950s themes; suburban and peripheral growth; some early attempts at rehabilitation.</td>
<td>Move toward a greater balance between public and private sectors.</td>
<td>Selective improvements.</td>
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### Evolution of Urban Regeneration

#### 1970s
(Renewal)

Focus on insitu renewal and neighborhood schemes; still development at periphery.

Growing role of private sector and decentralization in local government.

Environmental improvement with some innovations.

#### 1980s
(Redevelopment)

Many major schemes of development and Redevelopment; Flagship projects; out of town projects.

Emphasis on private sector and special agencies; growth of partnerships.

Growth of concern for wider approach to environments.

#### 1990s
(Regeneration)

Move towards a more comprehensive form of policy and practice; more emphasis on integrated treatments.

Partnership the dominant approach.

Introduction of broader idea of environmental sustainability.
## Evolution of Urban Regeneration

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<thead>
<tr>
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<th>Past</th>
<th>Present</th>
</tr>
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<tbody>
<tr>
<td>Target</td>
<td>Partly, temporary</td>
<td>Comprehensive</td>
</tr>
<tr>
<td>Period</td>
<td>Short-term</td>
<td>Lasting</td>
</tr>
<tr>
<td>Method</td>
<td>unilateral</td>
<td>multilateral</td>
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</tbody>
</table>

- **Quantitative, Physical Approaches**
- **Place, cultural, Qualitative Approaches**
KEY DRIVERS AND TRENDS IN KOREA

- **Urbanization rate**
  - 50.1%(1970) → 88.3%(2000) → 90.8%(2009)
  - rapid urbanization, urban saturation

- **Housing older than 20 yrs**
  - 12.7%(2000) → 20.5%(2005)
  - increase of demand on housing reconstruction

- **Housing stock vs households ratio**
  - 100.7%(2008) → 101.9%(2010)
  - housing shortage problem was solved.
Demographic change

- The increase rate of population is decreasing from 0.6% in 1990s to 0.2% in 2010.
- Population is projected to decrease from 2019. New housing demand is decreasing.
KEY DRIVERS AND TRENDS IN KOREA

(1986~1990)

(2006~)
Evolution of Urban Regeneration Policy in Korea

1960~1970  Shantytown, Road widening project
1967~1973  Housing improvement by residents
1979~1980  Removing existing building and land readjustment
            Residents: housing improvement, government: infrastructure
1981~1982  
1983~now   Joint redevelopment by residents and developer
1987~now   Introduction of housing reconstruction
1989~2001  Intervention of public sector for local cities having low business value
2002~now   Integration of related Acts
2005~now   Regional urban regeneration such as Seoul New Town Project
Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents

Special Act on The Promotion of Urban Renewal

Act on Urban Redevelopment
: Housing redevelopment projects, urban redevelopment projects

Act on Promotion of Housing Construction
: Housing reconstruction projects

Act on Improvement of Dwelling Condition for Low Income People
: Residential environment improvement projects
TYPES OF URBAN REGENERATION PROJECTS IN KOREA

- Residential environmental improvement projects
  - High density low income people
  - Very poor infrastructure*
    - For reference; infrastructure includes roads, parks, cultural facilities, etc.
  - High density of old and decrepit housing
- Purposes
  - Improvement of housing welfare for low income people
  - Improvement of urban infrastructure
Housing redevelopment projects

- Poor infrastructure
- High density of old and decrepit housing
- Mainly detached housing

Purposes

- Efficient land use and revitalization of urban function
- Housing provision thru. Construction of apartments
- Improvement of housing welfare for Non-housing owner
TYPES OF URBAN REGENERATION PROJECTS IN KOREA

- Housing redevelopment projects
Housing reconstruction projects

- Good infrastructure
- High density of old and decrepit housing
  - Housing older than 20 yrs and excessive management cost.
  - Housing older than 20 yrs and anticipation of improvement of housing efficiency when housing reconstruction implements.
  - Housing construction needs because of structural and heating fault, hindering urban beauty, etc.
- Mainly apartments
TYPES OF URBAN REGENERATION PROJECTS IN KOREA

- Housing reconstruction projects

Before

After
TYPES OF URBAN REGENERATION PROJECTS IN KOREA

- Urban redevelopment projects
  - Commercial, industrial area
  - Efficient use of land, restoration of downtown
  - Urban environmental improvement

Before

After
TYPES OF URBAN REGENERATION PROJECTS IN KOREA

- Regeneration promotion projects (new town project)
  - Widening of housing redevelopment
  - Efficient provision of infrastructure
  - Types: residential district (500,000m²~), downtown district (200,000m²~), high density complex district (100,000m²~)
TYPES OF URBAN REGENERATION PROJECTS IN KOREA

- Regeneration promotion projects
  (new town project)

Before                               After
PROCESS OF URBAN REGENERATION PROJECTS IN KOREA

Plan → Implementation → completion
Process of housing redevelopment

- General master plan (mayor)
  - general planning, land use planning, etc
- Project master plan and designation of project district (mayor)
  - planning (major, governor)
  - urban planning committee’s permission
- Composition of resident union or representatives
  - $\frac{3}{4}$ agreement of land owners +
  - $\frac{1}{2}$ agreement of land area
- Permission of union and designation of project developer
Process of housing redevelopment (continued)

- Permission of project (mayor, governor, head of gu)
  - ½ Agreement of union members
- Permission of management plan (”)
  - Allocation plan for union members
  - Selling notice for market
- Demolishment and construction
- Completion and movement (major)
- Settlement
Process of housing reconstruction

→ almost same as housing redevelopment

- General master plan
- Project master plan and designation of project district
- Composition of the resident union or representatives
  - 2/3 agreement of housing owners + ½ agreement of land area for a building
  - 3/4 agreement of housing owners + ¾ agreement of land area totally
- Permission of union and designation of project developer
- Permission of project
- Permission of management plan
- Demolishment and construction
- Completion and movement
- Settlement
Process of housing reconstruction (continued)

- safety inspection Process
  - Spot survey
  - Decision of implementation of inspection
  - Safety inspection
  - Evaluation of structural safety
  - Evaluation of deteriorated degree
  - Cost analysis
  - Comprehensive evaluation
  - A-C: repair, D: conditional reconstruction, E: reconstruction
Process of urban regeneration projects in Korea

- Process of residential environmental improvement project
  - General master plan
  - Designation of project district
  - Project implementation
    - 2/3 agreement of land owners
    - ½ agreement of tenants
  - Completion and movement
PROCESS OF URBAN REGENERATION PROJECTS IN KOREA

- Process of regeneration promotion projects
  - Application of project
  - Review
  - Designation of project district
  - Master plan of project
  - Public inspection and listening opinions
  - Discussion and consideration
  - Determination of master plan
  - Supporting of infrastructure provision
  - Launch of project
Details of Urban Regeneration Projects in Korea

- Project managers
  - Housing redevelopment: union / LH / union + LH or local gov. or construction company
  - Housing reconstruction: union / LH / union + LH or local gov.
  - Residential environmental improvement: mayor, governor, LH, etc

- Composition of housing provision
  - Housing redevelopment: more than 80% (~85), 17% (Rental housing 17%)
  - Housing reconstruction: more than 60% (~85), 30~50% incentive of floor area ratio relaxation (~60)
  - Residential environmental improvement: more than 90% (~85), more than 20% (rental housing)
Details of Urban Regeneration Projects in Korea

Housing provision target
- Housing redevelopment: land owner, tenant: rental housing, the rest: selling to market
- Housing reconstruction: union members, the rest: selling to market
- Residential environmental improvement: land owner, tenant: rental housing, the rest: selling to market

Completion and settlement
- Total appraisal value before project: 1000
- Sam’s appraisal value before project: 4
- Total appraisal value after project: 2500
- Sam’s appraisal value after project: 5
- Total project cost: 1400
- Real value increase rate: \(\frac{(2500-1400)}{1000}=110\%\)
- Sam’s right value: \(4 \times 110\% = 4.4\)
- Sam’s cost: \(5 - 4.4 = 0.6\)