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

• 1950s

(Reconstruction)

1960s (Revitalization)

Major strategy and orientation

Reconstruction and extension of older areas of towns and cities often based on a 'master plan'; suburban growth.

Continuation of 1950s themes; suburban and peripheral growth; some early attempts at rehabilitation.

Key actors and stakeholders

National and local government; private sector developers and contractors.

Move toward a greater balance between public and private sectors.

Environmental approach

Landscaping and some greening.

Selective improvements.

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

	Past	Present
Target	Partly, temporary	Comprehensive
Period	Short-term	Lasting
Method	unilateral	multilateral

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

- $-12.7\%(2000) \rightarrow 20.5\%(2005)$
 - ; increase of demand on housing reconstruction

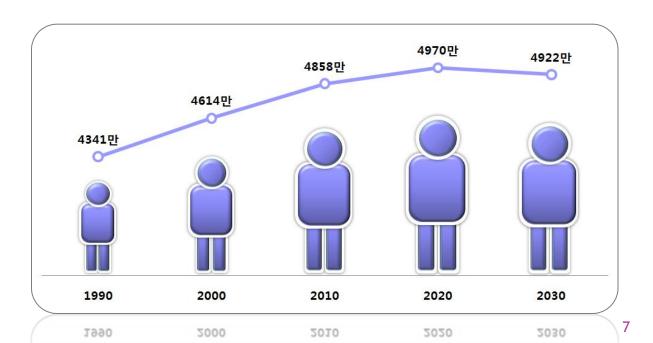
Housing stock vs households ratio

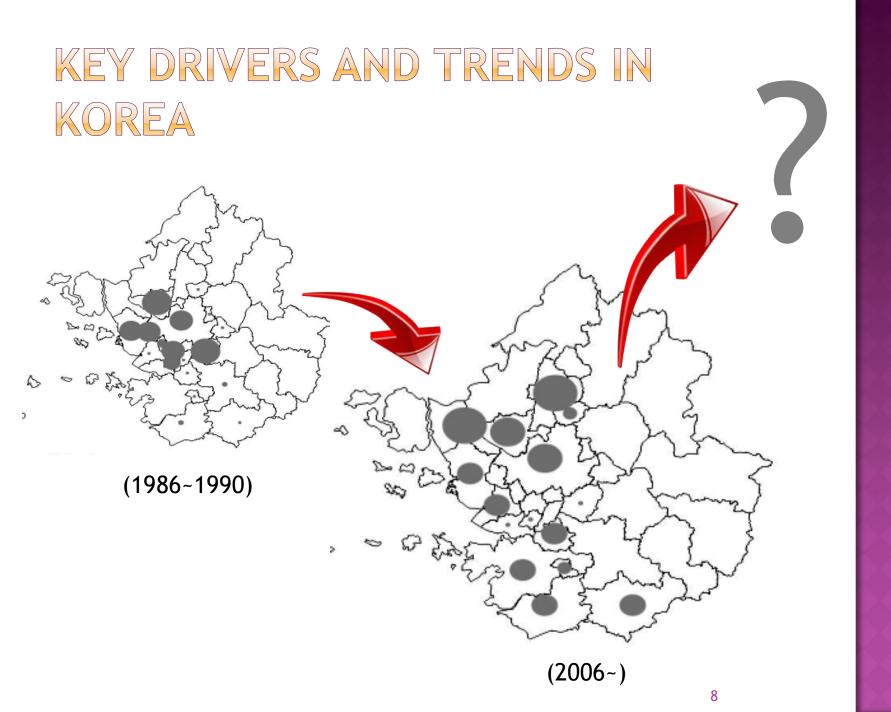
- \blacksquare 100.7%(2008) \rightarrow 101.9%(2010)
 - ; housing shortage problem was solved.

KEY DRIVERS AND TRENDS IN KOREA

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.





EVOLUTION OF URBAN REGENERATION POLICY IN KOREA

1960~1970	Shantytown, Road widening project	
1967~1973	Housing improvement by residents	
1979~1980 1981~1982	Removing existing building and land readjustment Residents: housing improvement, government: infrastructure	
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	

EVOLUTION OF URBAN REGENERATION POLICY IN KOREA

Act on the
Maintenance and
Improvement of
Urban Areas and
Dwelling
Conditions for
Residents

supporting

Special Act on The Promotion of Urban Renewal

integrated

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

- 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. Constriction of apartments
 - Improvement of housing welfare for Non-housing owner

Housing redevelopment projects



Before

After

13

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

Housing reconstruction projects





Before After

Urban redevelopment projects

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



Before After

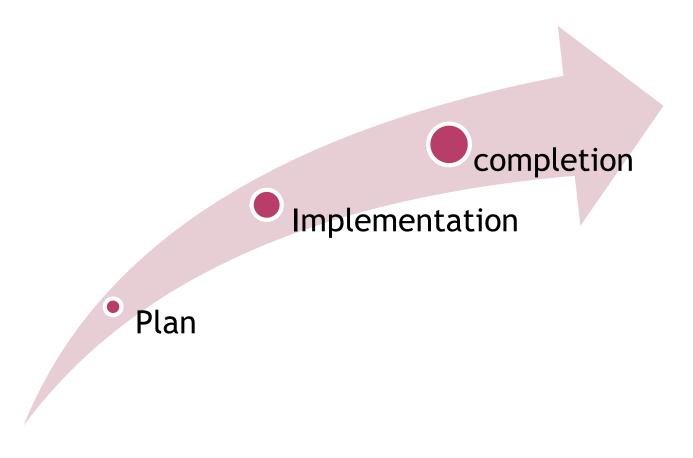
- Regeneration promotion projects (new town project)
 - Widening of housing redevelopment
 - Efficient provision of infrastructure
 - Types: residential district(500,000m2~), downtown district(200,000m2~), high density complex district(100,000m2~)

 Regeneration promotion projects (new town project)





After



Process of housing redevelopment

- General master plan(mayor)
 - o general planning, land use planning, etc
- Project master plan and designation of project district(mayor)
 - planning(major, governor)
 - o urban planning committee's permission
- Composition of resident union or representatives
 - o ¾ agreement of land owners +
 - ½ 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 residential environmental improvement project
 - General master plan
 - Designation of project district
 - Project implementation
 - 2/3 agreement of land owners
 - ½ agreement of tenents
 - Completion and movement

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

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)

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 (2500-1400)/1000=110%
- Sam's right value : 4 * 110% = 4.4
- Sam's cost : 5 4.4 = 0.6