

# SEOUL METROPOLITAN GOVERNMENT ORDINANCE ON PUBLIC PROPERTY AND COMMODITY MANAGEMENT

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Amendment of Other Laws No. 6851, Mar. 22, 2018  
Amendment of Other Laws No. 6899, Jul. 19, 2018  
Partial Amendment No. 7076, Mar. 28, 2019  
Partial Amendment No. 7136, May. 16, 2019  
Partial Amendment No. 7156, May. 16, 2019  
Amendment of Other Laws No. 7423, Dec. 31, 2019  
Partial Amendment No. 7543, Mar. 26, 2020  
Amendment of Other Laws No. 7782, Dec. 31, 2020  
Amendment of Other Laws No. 7912, Mar. 25, 2021  
Partial Amendment No. 7994, May. 20, 2021  
Amendment of Other Laws No. 8127, Sep. 30, 2021  
Partial Amendment No. 8169, Sep. 30, 2021  
Amendment of Other Laws No. 8235, Dec. 30, 2021  
Partial Amendment No. 8399, Apr. 28, 2022  
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Amendment of Other Laws No. 8530, Dec. 30, 2022  
Amendment of Other Laws No. 8862, Jul. 24, 2023

## CHAPTER I GENERAL PROVISIONS

### Article 1 (Purpose)

CHAPTER I GENERAL PROVISIONS The purpose of this Ordinance is to ensure the efficient and appropriate preservation and management of public property and commodities of the Seoul Metropolitan Government, by providing for matters delegated by the Public Property and Commodity Management Act and the Enforcement Decree thereof as well as for those necessary for the implementation thereof. <Amended by Ordinance No. 4803, May 28, 2009>

### Article 2 (Responsibility for Management)

- (1) The Mayor of Seoul Metropolitan Government (hereinafter referred to as the "Mayor") shall efficiently administer and manage all the public property and commodities thereof.
- (2) The Mayor may designate the Finance Director as the officer in overall charge of property and commodity management, the Manager of Asset Management Department as the assistant officer in overall charge of property management, the Manager of

Finance Department as the assistant officer in overall charge of commodity management, and a property management officer, a commodity management officer, etc. for each field, and the position in charge thereof and the scope of duties thereof shall be prescribed by the Rule. <Amended by Ordinance No. 5118, Jul. 28, 2011; Ordinance No. 5162, Mar. 15, 2012>  
<This Article wholly Amended by Ordinance No. 4803, May 28, 2009>

### **Article 3 (Delegation of Management Affairs)**

(1) The Mayor may delegate the management of property and commodities of Seoul Metropolitan Government to the head of an autonomous Gu (hereinafter referred to as the "head of a Gu"), the Secretary-General of the Seoul Metropolitan Council and the heads of offices under the jurisdiction of Seoul Metropolitan Government pursuant to Article 14 of the Public Property and Commodity Management Act (hereinafter referred to as the "Act").

(2) The Mayor shall, pursuant to Article 14 of the Act, delegate the following business affairs on property managed by the Manager of Asset Management Department and property under the jurisdiction of special accounts for housing projects (limited to accounts for urban and residential environment improvement projects) among public property for preservation and general property to the head of a Gu in which property is located: <Amended by Ordinance No. 5118, Jul. 28, 2011; Ordinance No. 5162, Mar. 15, 2012>

1. Matters concerning the management of property, such as the maintenance, preservation, lending of, permission to use or make a profit on property: Provided, That this shall not apply to matters concerning the collection of an indemnity, rent and user fee the amount of which in arrears is at least five million won (based on the amount imposed first) in which case three years have passed from the date nonpayment occurred;

2. Matters concerning the disposal of property in an area for a residential environment improvement project and a housing redevelopment project under Article 2 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents;

3. Matters concerning the disposal of property falling under any of the following among public property other than property referred to in subparagraph 2:

(a) Property the book value of which is less than 500 million won (provided, that where property is connected or located in the same project area, or land, a building, etc. are disposed of together, the book value of each property shall be added together;

(b) Land the size of which is less than 330 square meters (provided, that the size of land connected or located in the same project area shall be added together).

(3) The Mayor shall delegate the management of public property under the jurisdiction of the Manager of River Management Department to the head of a Gu where property is located pursuant to Article 14 of the Act. <Newly Inserted by Ordinance No. 5118, Jul. 28, 2011>

(4) Where property the head of a Gu manages after delegated to him/her pursuant to paragraph (2) falls under any of the following, he/she shall obtain approval from the Mayor in advance: <Newly Inserted by Ordinance No. 5118, Jul. 28, 2011>

1. Where he/she intends to lease property the book value of which is less than 500 million won or permit a person to use or make a profit on such property;

2. Where an autonomous Gu that manages property intends to enter into a contract to which it is the other party for lease of or permission to use or make a profit on the relevant property;

3. Where he/she intends to dispose of property falling under paragraph (2) 3.

<This Article wholly Amended by Ordinance No. 4803, May 28, 2009>

## **CHAPTER II COMMON PROVISIONS ON PUBLIC PROPERTY**

### **Article 3-2 (Entrustment of Management, Disposal, etc. of General Property)**

CHAPTER II COMMON PROVISIONS ON PUBLIC PROPERTY Notwithstanding Article 3 (2), where the Mayor deems it necessary for efficient management and disposal, he/she may entrust a person falling under any of the subparagraphs of Article 48-2 (1) of the Enforcement Decree of the Public Property and Commodity Management Act (hereinafter referred to as the "Decree") with business affairs concerning the management and disposal of the relevant general property. In this case, delegation under Article 3 (2) shall be deemed withdrawn.

[This Article Newly Inserted by Ordinance No. 5162, Mar. 25, 2012]

### **Article 4 (Composition, Operation and Duties of Public Property Deliberative Council)**

(1) The Public Property Deliberative Council of Seoul Metropolitan Government under Article 16 of the Act (hereinafter referred to as the "Deliberative Council") shall be composed of not fewer than 10 nor more than 17 members, including one Chairperson and one Vice Chairperson, and the Finance Director shall be an ex officio member and the rest of the members shall be commissioned or appointed by the Mayor pursuant to the following subparagraphs: <Amended by Ordinance No. 4803, May 28, 2009; Ordinance No. 5161, Sep. 29, 2011>

1. A person who has qualifications for an attorney-at-law, certified public accountant, tax accountant or certified public appraiser and has worked for at least five years in the relevant field, or person who has qualifications for a professional engineer (including

an architect);

2. A person who has worked as a full-time instructor or at a higher level in the related field, such as law, public administration, accounting, civil engineering or architectural engineering, in a college under the Higher Education Act;
3. A person who has served as a public official in Grade IV or higher Grade in a State agency or other local government, who has knowledge of and experience in the relevant field;
4. A public official in Grade IV or higher Grade belonging to the government of Seoul Metropolitan Government and affiliated offices.

(2) An ex officio member and members appointed pursuant to subparagraphs 3 and 4 of paragraph (1) shall not exceed a majority of the Deliberative Council, and the Chairperson and the Vice Chairperson shall be elected by the Deliberative Council from among its members. <Amended by Ordinance No. 5118, Jul. 28, 2011; Ordinance No. 5161, Sep. 29, 2011>

(3) The Chairperson shall represent the Deliberative Council when required and exercise general supervision and control over its affairs, and the Vice Chairperson shall assist the Chairperson and shall act on behalf of the Chairperson during the absence or disability of the Chairperson, or when that office is vacant.

(4) The term of office of a member shall be a period during which the relevant public official holds office, and the term of office of a member other than a public official shall be two years from the date he/she is commissioned or appointed and he/she may be recommissioned or reappointed. <Newly Inserted by Ordinance No. 5161, Sep. 29, 2011>

(5) The Deliberative Council shall prepare and keep minutes and resolutions on deliberations, and where it receives a request for disclosure of minutes and resolutions on deliberations, it shall disclose them as prescribed by the Rule: Provided, That this shall not apply to the part concerning personal identification information, such as the name and resident registration number, the disclosure of which is deemed to be likely to violate the fairness of resolutions and deliberations. <Newly Inserted by Ordinance No. 5161, Sep. 29, 2011>

(6) The functions of the Deliberative Council and other matters relating to the operation and deliberation thereof shall be prescribed by the Enforcement Rule: Provided, That the Deliberative Council shall re-deliberate on the acquisition of property of which appraised value is not less than 130 percent of the standard price under Article 7 (7) of the Enforcement Decree of the Public Property and Commodity Management Act (hereinafter referred to as the "Decree") and the disposal of property of which appraised value is not more than 130 percent of the standard price. <Amended by Ordinance No. 4803, May 28, 2009; Ordinance No. 5161, Sep. 29, 2011; Ordinance 5787, Jan. 2, 2015>

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 5 (Public Property Management Register)**

A property manager shall, pursuant to Article 49 of the Decree, prepare and maintain a public property management register including matters relating to the acquisition, management and disposal of public property according to the attached Form, which may be replaced by an electronic file. Methods of the preparation thereof shall be prescribed by the Enforcement Rule.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 6 (Reports on Increase, Decrease and Present Value of Property)**

Matters relating to the form of a report on the increase, decrease and present value of public property which shall be made available to residents pursuant to Article 52 of the Decree, shall be prescribed by the Enforcement Rule. [This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 7 (Investigation of Actual Conditions)**

(1) A public property managing officer shall, at least once every year, investigate the actual conditions of public property pursuant to Article 44 (2) of the Act to manage and administer it thoroughly.

(2) Where a public property managing officer investigates the actual conditions on public property pursuant to paragraph (1), he/she shall investigate the following matters: <Amended by Ordinance No. 5591, Oct. 4, 2013>

1. Management condition of public property under Article 4 of the Act;
2. Whether or not to receive user fees and rent;
3. Details of nonpayment of user fees and rent;
4. Whether public property is used without permission;
5. Whether public property has been subleased or the right to public property has been disposed of;
6. Whether public property is used for the purpose of permission or contract;
7. Whether the original state of public property has been changed;
8. Whether a permanent structure, such as an unauthorized building, has been built;
9. Other necessary matters.

(3) When a property manager investigates the actual condition of public property, he/she shall verify the following matters and record the details thereof in a public property management register or electronic file and shall, in cases of sale or lease of public property, pay special attention thereto and manage it thoroughly: <Amended by Ordinance No. 5591, Oct. 4, 2013>

1. Property deemed necessary to be secured for future use as administrative property;

2. Property situated in a residential environment improvement project zone or a housing redevelopment project zone;
3. Trivial property the preservation of which is of no value;
4. Property the use of which is impossible because it is situated in the land of any other person;
5. Property involved in proceedings or any other dispute over ownership;
6. Property for which the payment of user fees or rent has not been made.

(4) Where a public property managing officer finds matters requiring corrections as a result of investigation of the actual conditions of public property under paragraph (1), he/she shall pay full attention to the management of public property, such as formulating a necessary action plan including the following matters and immediately making corrections: <Amended by Ordinance No. 5591, Oct. 4, 2013>

1. Imposition of a compensation;
2. Orders to return to original state and administrative vicarious execution;
3. Countermeasures against nonpayment of user fees or rent.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 8 (Aggregation of Property)**

Scattered property the management of which is inefficient shall, unless particularly necessary, be disposed of or shall, to the extent possible, be aggregated to reduce management expenses.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 9 (Preservation of Property and Disposal of Disused Property)**

(1) Any property which is necessary for the public interest and which is capable of causing an increase in financial revenue shall continue to be preserved and managed.

(2) Any public property which is deemed to have neither possibility of increasing in value nor preservation value shall be disposed of by sale, and any other highly-profitable property shall thereby be acquired: Provided, That this shall not apply to any land which is forest land or which is situated in a prearranged area for land compartmentalization rearrangement or a prearranged area for establishment of public facilities. [This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 10 (Use of Proceeds from Sale)**

If any public property is sold, the Mayor shall endeavor to appropriate the proceeds from such sale for the acquisition, purchase, etc. of other new public property equivalent to the public property so sold.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **CHAPTER III ACQUISITION AND DISPOSAL OF PUBLIC PROPERTY**

#### **Article 11 (Public Property Management Plan)**

CHAPTER III ACQUISITION AND DISPOSAL OF PUBLIC PROPERTY(1) The Mayor shall formulate a public property management plan and obtain approval from the Seoul Metropolitan Council before it approves the budget. The same shall also apply to cases where he/she changes the public property management plan. <Amended by Ordinance No. 5118, Jul. 28, 2011>

(2) A public property management plan (including a revised plan) under paragraph (1) shall be prepared by the lead authority responsible for such management: Provided, That a plan for the management of property in a special account may, in cooperation with such lead authority, be prepared by the lead authority responsible for the management of the special account.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 12 (Acquisition and Management of Property not in accordance with Plan for Management of Public Property)**

(1) If there is any property which is to be acquired (acquired upon payment of compensation) for any project (construction of roads, rivers, etc.) implemented not in accordance with a plan for the management of public property, but in accordance with other Acts and subordinate statutes, the head of the competent authority shall, in advance, consult with the Coordinator of Property and Commodity Management.

(2) If property to be acquired pursuant to paragraph (1) is determined, and if thereafter there is any modification, the head of the competent authority shall notify the Coordinator of Property and Commodity Management as provided by the Enforcement Rule.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 13 (Methods of Preparing Plan for Management of Public Property)**

Methods of preparing a plan for the management of public property under Article 11 shall be prescribed by the Enforcement Rule.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 14 (Principle of Acceptance of Donation)**

(1) In cases of acceptance of donated property for the use as administrative property, such donated property shall be suited for administrative purposes.

(2) In cases of acceptance of donated property, there shall be neither impediments to the management thereof nor conditions

granting any unjustifiable privilege to the donator.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 15 (Property Subject to Permission for Free Use)**

(1) In cases of acceptance of the donation of a building or any other facility constructed on the land which is public property, permission for free use or profit-taking shall be limited to property the donation of which is accepted, and permission for onerous use shall be granted for such land.

(2) Any land referred to in paragraph (1) shall include the site for a building or any other facility and adjacent land necessary for the use of the building or facility.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 16 (Free Use Period)**

The period during which any property whose donation is accepted may be used free of charge shall be in accordance with Article 17 of the Decree and shall commence on the date of such acceptance, but may commence on the date of the first use of such property approved by the Mayor.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **CHAPTER IV ADMINISTRATION PROPERTY**

#### **Article 17 (Management)**

CHAPTER IV ADMINISTRATION PROPERTYA property managing officer shall thoroughly maintain and repair administration property managed by him/her and improve the environment to meet the administrative needs.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 18 (Restrictions on Permission to Use or Profit from Property)**

(1) In cases of permission to use administration property, the purpose of such use shall be carefully examined.

(2) Permission to use or profit from administration property shall not be granted in the following cases:

1. If it is deemed that it is advantageous to disuse and sell the said administration property;
2. If it is likely to cause any obstacle to the use of the administration property due to any alteration to its construction, shape or quality, the installation or works of facilities, etc.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 18-2 (Organizations Eligible for Private Contract for Administration Property)**

Where an organization falls under any of the following, it shall be eligible to enter into a private contract pursuant to Article 13 (3) 18 of the Decree:

1. Where an international organization under Article 13 (3) 18 (a) of the Decree establishes an office in a City-owned administration property within Seoul Metropolitan Government;
2. Where a nonprofit nongovernmental organization under Article 13 (3) 18 (b) of the Decree establishes an office in a City-owned administration property within Seoul Metropolitan Government.

[This Article Newly Inserted by Ordinance No. 5643, Jan. 9, 2014]

#### **Article 19 (Permission to Use or Profit from Property)**

In cases of permission to use or profit from administration property, the following matters shall be specified:

1. Use purpose;
2. Use period;
3. Use fees;
4. Methods of payment of use fees;
5. Obligation to preserve property the use of or profit from which is permitted;
6. Responsibility of the user for bearing such charges as are imposed on property the use of or profit from which is permitted;
7. Terms and conditions of permission.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 20 (Keeping of Register of Permits for Use of and Profit from Property)**

A property managing officer shall never fail to keep and maintain, and make an entry in, a register of permits for the use of and profit from administration property. Such register may be replaced by an electronic file. [This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 21 (Entrustment of Management of Administration Property)**

(1) If a property manager entrusts the management of administration property pursuant to Article 27 (1) of the Act, he/she shall include the scope of property eligible for permission to use or make a profit, the period of permission, an annual user fee, methods



of payment thereof, etc. pursuant to Article 27 (2) and (3) of the Act and Articles 19 and 21 of the Decree in an entrustment contract. <Amended by Ordinance No. 5118, Jul. 28, 2011>

(2) With respect to administration property that a person entrusted with the management thereof pursuant to paragraph (1) directly uses for operating profit or that is subleased to and used by any third person, a property managing officer shall, upon such entrustment, impose and collect the user fees pursuant to Article 14 of the Decree.

(3) If a person entrusted with the management of administration property pursuant to paragraph (1) pays user fees for property the use of or profit from which is permitted and subleases such property to a third person, the user fees and management expenses determined by the entrusted person may be imposed on and collected from the third person. In such cases, those collected by the entrusted person shall be his/her income.

(4) The entrusted person may, if deemed necessary by the Mayor pursuant to Article 27 (2) of the Act, collect the user fees on a direct basis and use them as management expenses.

(5) If the entrusted person is determined through general bidding, the user fees for administration property increased due to the efficient management, etc. thereof may be allocated in accordance with the terms and conditions of such bidding pursuant to Article 27 (4) of the Act and Article 21 of the Decree. <Amended by Ordinance No. 5118, Jul. 28, 2011>

(6) Notwithstanding paragraphs (1) through (4), the repair of facilities causing any increase in the duration of property shall be directly conducted by the Mayor.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 22 (Application Mutatis Mutandis of Lease of General Property)**

The provisions of Articles 23 through 35 shall apply mutatis mutandis to the rate of user fees, permission for temporary use, the appraisal of security deposits, and other matters concerning permission to use or profit from administrative property or preservation property.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

## **SECTION 1 Lease**

### **Article 23 (Collection of Rent for Leased Property and Measures for Recovery thereof)**

SECTION 1 Lease(1) In cases of property which is leased and is not used for purposes of such lease, or the value of which is deemed to be decreased due to any neglect of the management, the agreement for such lease shall be terminated pursuant to Article 35 of the Act, and other necessary measures including the recovery of such property shall be taken.

(2) In cases of property which is leased free of charge to State agencies or other local governments and which is not used directly for public or official purposes or for public services or is used for their own profits, rent shall be collected, or measures referred to in paragraph (1) shall be taken.

(3) In consultation with a State agency, rent for the property which is being illegally occupied and used by the State agency, and the recovery of which is deemed to be de facto impossible due to permanent facilities, etc., shall be collected, or such property shall be exchanged or sold.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 24 (Scope of Foreign-Invested Enterprises)**

As used in this Ordinance, the term "foreign-invested enterprise" or "foreign investment environment improvement facility operator" (hereinafter referred to as "foreign-invested enterprise, etc.") means any enterprise, etc. defined in Article 2 (1) 6 and 7 of the Foreign Investment Promotion Act or Article 2 (5) of the Enforcement Decree thereof.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 25 (Public Property, etc. subject to Lease or Sale to Foreign-Invested Enterprise, etc.)**

Public property which may be leased or sold to a foreign-invested enterprise, etc. pursuant to Article 24 shall be as follows:

<Amended by Ordinance No. 5118, Jul. 28, 2011>

1. All or part of a national industrial complex sold to a local government pursuant to Article 38-4 (2) of the Industrial Sites and Development Act;
2. Public property situated in a general industrial complex or an agricultural and industrial complex defined in Article 7 or 8 of the Industrial Sites and Development Act;
3. Public property situated in an area where the establishment of a knowledge industrial area under Article 2 of the Industrial Cluster Development and Factory Establishment Act is approved;
4. Public property situated in a foreign investment area designated by the Mayor pursuant to Article 18 of the Foreign Investment Promotion Act;
5. Public property situated in an industrial complex by special purpose and type of business built by the Seoul Metropolitan Government;

6. Any other public property deemed necessary for the promotion of foreign investment by the Mayor.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

## **Article 26 (Rate of Rent)**

(1) Except as otherwise provided for in this Ordinance, the rate of annual rent under Article 31 of the Decree shall be at least 50/1000 of the appraised value of the property in question, and if a public forest is leased for mining or quarrying, the price of minerals and that of standing trees and forest products in a zone which will not be used as forest land in the future due to topographic changes shall, in addition to rent, be collected.

(2) The rate of rent for the following property shall be at least 40/1000 of the appraised value of that property:

1. Property for use in foreign missions in the Republic of Korea;
2. Property which is difficult for use for lease purposes in conflict with an urban planning;
3. Property in an office building necessary for the public interest or for the welfare of public officials.

(3) The rate of rent for land occupied by a residential building not possessed by the Seoul Metropolitan Government shall be at least 20/1000 of the appraised value of the relevant property: Provided, That land occupied by a residential building in a housing redevelopment project area under Article 4 of the Act on the maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents shall be at least 15/1000 of the appraised value of the relevant property, and land occupied by a beneficiary under subparagraph 2 of Article 2 of the National Basic Living Security Act shall be at least 10/1000 of the appraised value of the relevant property. <Newly Inserted by Ordinance No. 5118, Jul. 28, 2011>

(4) The rate of rent for the following property shall be at least 25/1000 of the appraised value of that property: <Amended by Ordinance No. 5071, Jan. 13, 2011; Ordinance No. 5496, May 16, 2013 >

1. Property to be used for official or public purposes;
2. Property leased for settlement improvement projects;
3. Deleted; <by Ordinance No. 5071, Jan. 13, 2011>
4. Cultural facilities under Article 2 (1) 3 of the Culture and Arts Promotion Act that are managed by any profit-making corporation or individual described in Article 39 of the Civil Act.
5. Where a private school under Article 3 of the Elementary and Secondary Education Act or school-type lifelong educational facility under Article 31 (2) of the Lifelong Education Act uses City-owned property for the purpose of educational activities.
- (5) The rate of rent for the following property shall be at least 10/1000 of the appraised value of that property: <Amended by Ordinance No. 4965, Apr 22, 2010; Ordinance No. 5071, Jan. 13, 2011; Ordinance No. 5118, Jul. 28, 2011; Ordinance No. 5162, Mar. 15, 2012; Ordinance No. 5450, Mar. 28, 2013; Ordinance No. 5643, Jan. 9, 2014; Ordinance No. 5787, May 12, 2015>
  1. Property leased for stock raising;
  2. Farmland used by an actual cultivator for cultivation;
  3. Public property used by a foreign-invested enterprise, etc. for business purposes pursuant to Article 13 (5) of the Foreign Investment Promotion Act;
  4. Property necessary for the development or construction of a complex for the exclusive use of venture businesses or a facility for collective placement thereof which is used either by a person implementing a development project of such complex, constructing such facility, or establishing a venture business using any property built by the Seoul Metropolitan Government for support for the establishment of venture businesses or by any other individual, organization, corporation or institution related to such support pursuant to Article 19 (1) of the Act on Special Measures for the Promotion of Venture Businesses;
  5. Supporting facilities for industry or small and medium businesses which are established and operated by the Seoul Metropolitan Government or the operation of which is entrusted under Acts and subordinate statutes related to the establishment of and support for small and medium businesses, including the Framework Act on Small and Medium Businesses or the Balanced Regional Development and Support for Local Small and Medium Businesses Act;
  6. Property permitted to be used by a corporation the capital of which is invested or contributed by the Seoul Metropolitan Government and the grounds for the establishment thereof are prescribed in ordinance of the Seoul Metropolitan Government;
  7. Seoul Metropolitan Government-owned land which is unavoidably occupied and used due to an urban planning project, etc. of the Seoul Metropolitan Government;
  8. Traditional Korean-style houses, etc. purchased under Article 13 of Seoul Metropolitan Government Ordinance on Preservation and Promotion of Traditional Korean-Style Houses the management of which is entrusted to any individual or corporation designated by the Mayor;
  9. DMC Educational-Industrial Research Center established for industry-education cooperation under the Promotion of Industrial Education and Industry-Academic Cooperation Act which is used by a university research institute carrying out an educational-industrial cooperation project or by a foreign research institute carrying out joint research with a Korean university;
  10. Cultural facilities under Article 2 (1) 3 of the Culture and Arts Promotion Act that are managed by any nonprofit corporation described in Article 32 of the Civil Act;
  11. Cultural facilities under Article 2 (1) 3 of the Culture and Arts Promotion Act that are managed as culture and arts creation studios (referring to any cultural facilities provided for culture and arts institutions, organizations or individuals to concentrate on

their creative activities);

12. Recycling Centers established and managed pursuant to Article 13-2 of the Act on the Promotion of Saving and Recycling of Resources.

13. Where the Mayor allows a social enterprise under subparagraph 1 of Article 2 of the Social Enterprise Promotion Act, a preliminary social enterprise applicable to a district under Article 5-2 of the aforesaid Act and a social enterprise applicable to Seoul Metropolitan Government under subparagraph 2 of Article 2 of Seoul Metropolitan Government Ordinance on the Promotion of Social Enterprises to use public property;

14. Where the Mayor allows a social cooperative under subparagraph 3 of Article 2 of the Framework Act on Cooperatives to use public property.

(6) In cases of lease of public forest land, Article 21 (1) of the Enforcement Decree of the Management and Administration of Forests Act shall apply mutatis mutandis to the rate of rent therefor. <Amended by Ordinance No. 5071, Jan. 13, 2011>

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

**Article 27 Deleted. <by Ordinance No. 4454, Oct. 1, 2007>**

### **Article 28 (Quarrying Fees, etc.)**

(1) In cases of land leased for quarrying under Article 26 (1), quarrying fees shall be collected, which shall be at least 50/1000 of the amount obtained by multiplying the permitted amount of quarrying by the market price of a cubic meter of the relevant rough stone during the year involved, in addition to rent.

(2) As used in paragraph (1), "market price of a rough stone" means the market price of the relevant rough stone at the time when it is removed from its place of origin and shall be determined on the basis of the size of that which is produced most.

(3) In cases of determination of the market price of a rough stone referred to in paragraph (2), a report on price appraisal shall be prepared as a material for the determination of the expected price.

(4) A report on price appraisal under paragraph (3) shall be accompanied by a written appraisal prepared by an appraisal institution, a report on market prices prepared by any other relevant professional organization, business organization or end user, and other reference documents relating to price appraisal.

(5) Notwithstanding paragraph (1), the Mayor may otherwise determine the rate of quarrying fees with respect to which he/she deems that it is necessary to collect 50/1000 or more thereof, taking into account the cost of production of stone, etc. according to category and use.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 29 (Standards for Calculation of Rent for Building)**

(1) In calculating rent for a building, the appraised value thereof shall be determined by adding the appraised value of the building and that of the site therefor.

(2) The appraised value of a site referred to in paragraph (1) shall be determined on the basis of any land used exclusively by users of a building on the site, other than the floor space of that building: Provided, That when the calculation of the net area is impossible due to the obscurity of the boundaries, such appraised value shall be determined on the basis of the area of the site for a building obtained by calculating the present building coverage ratio under the Building Act in reverse.

(3) If part of any building is leased, the appraised value thereof shall be the amount obtained by adding the appraised value of the building and any of the following:

1. If any two-story building is leased:

(a) 2/3 of the appraised value of the site for the said building, in cases of the first floor;

(b) 1/2 of the appraised value of the site for the said building, in cases of the second floor;

2. If any three-story or higher building is leased:

(a) 1/2 of the appraised value of the site for the said building, in cases of the first floor;

(b) 1/3 of the appraised value of the site for the said building, in cases of the second floor;

(c) 1/4 of the appraised value of the site for the said building, in cases of the third floor;

(d) 1/5 of the appraised value of the site for the said building, in cases of the fourth floor or higher;

3. If any one-story building is leased, the total appraised value of the site therefor;

4. If the basement levels of any building are leased:

(a) 1/3 of the appraised value of the site for the said building, in cases of the first basement;

(b) 1/4 of the appraised value of the site for the said building, in cases of the second basement;

(c) 1/5 of the appraised value of the site for the said building, in cases of the third basement or lower;

5. If the basement levels of any building without a ground floor are leased:

(a) 1/2 of the appraised value of the site for the said building, in cases of the first basement;

(b) 1/3 of the appraised value of the site for the said building, in cases of the second basement;

(c) 1/4 of the appraised value of the site for the said building, in cases of the third basement or lower.



(4) In determining the appraised value of a building and that of the site therefor referred to in paragraph (3), the leased area of the building and site shall be obtained by adding the area used exclusively by the lessee and that used jointly with other persons. In this case, the jointly-used area shall be calculated by the following formula or by applying 30 percent thereof:

the total area used jointly by the lessee and other persons (in the case of a building, the total area of any floor used jointly by the lessee and other persons)  $\times$  (the area used exclusively by him/her  $\div$  the total area used exclusively by other such persons (in the case of a building, the total area of any floor used exclusively by them)).

(5) If it is deemed that the calculation of the jointly-used area under paragraph (4) is quite unreasonable due to special circumstances of a leased building, such calculation may be made by applying other standards. In this case, any specified documentary evidence relating to matters deemed so unreasonable and the standards for such calculation shall be included in a report on the calculation of rent.

(6) If any knowledge industrial center built by the Seoul Metropolitan Government is leased, the appraised value thereof shall consist of the appraised value of the buildings thereof and that of a site proportionate to the area of each factory belonging to such apartment house-type factory. <Amended by Ordinance No. 5118, Jul. 28, 2011>

(7) The provisions of paragraphs (1) through (6) may apply mutatis mutandis to the calculation of rent for any land occupied by a private building for commercial use with two or more floors above ground or two or more floors below, and rent for any land occupied by a private building for residential use shall be calculated on the basis of the rate of the area obtained by dividing the total site area by the used area (including the jointly-used area).

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 30 (Reduction of or Exemption from Rent)**

(1) If any public property is leased to a foreign-invested enterprise for business purposes under Article 13 (9) of the Foreign Investment Promotion Act and Article 35 of the Decree, the rate of reduction of or exemption from rent shall be as follows:

<Amended by Ordinance No. 5118, Jul. 28, 2011, Ordinance No. 5787, Jan. 2, 2015>

1. Reduction of or exemption from the total amount in the following cases:

(a) Business referred to in Article 121-2 (1) of the Restriction of Special Taxation Act in which foreigners invest one million US dollars or more;

(b) Business in which foreigners invest 20 million US dollars or more;

(c) Business in which 300 persons or more are engaged on average a day;

(d) Foreign-invested business in which 50 percent or more of the gross production is exported and the procurement rate of domestic parts and raw or subsidiary materials is 100 percent;

(e) Foreign-invested business in which 100 percent of the gross production is exported;

(f) Business falling under any of items (a) through (e) which is carried on by an existing investment corporation transferring from any other area to an area under the jurisdiction of the Seoul Metropolitan Government;

(g) Business falling under any of items (a) through (e) for which an existing investment corporation builds more factories under the Industrial Cluster Development and Factory Establishment Act;

2. Reduction of or exemption from 75 percent in the following cases:

(a) Business in which foreigners invest not less than 10 million US dollars but less than 20 million US dollars;

(b) Business in which not less than 200 but less than 300 persons are engaged on average a day;

(c) Foreign-invested business in which 50 percent or more of the gross production is exported and the procurement rate of domestic parts and raw or subsidiary materials is not less than 75 percent but less than 100 percent;

(d) Foreign-invested business in which not less than 75 percent but less than 100 percent of the gross production is exported;

(e) Business falling under any of items (a) through (d) which is carried on by an existing investment corporation transferring from any other area to an area under the jurisdiction of the Seoul Metropolitan Government;

(f) Business falling under any of items (a) through (d) for which an existing investment corporation builds more factories under the Industrial Cluster Development and Factory Establishment Act;

3. Reduction of or exemption from 50 percent in the following cases:

(a) Business in which foreigners invest not less than five million US dollars but less than ten million US dollars;

(b) Business in which not less than 100 but less than 200 persons are engaged on average a day;

(c) Foreign-invested business in which 50 percent or more of the gross production is exported and the procurement rate of domestic parts and raw or subsidiary materials is not less than 50 percent but less than 75 percent;

(d) Foreign-invested business in which not less than 50 percent but less than 75 percent of the gross production is exported;

(e) Business falling under any of items (a) through (d) which is carried on by an existing investment corporation transferring from any other area to an area under the jurisdiction of the Seoul Metropolitan Government;

(f) Business falling under any of items (a) through (d) for which an existing investment corporation builds more factories under the Industrial Cluster Development and Factory Establishment Act;

(g) Public property in a complex or knowledge industrial center under subparagraphs 1 through 3 of Article 25. <Amended by Ordinance No.

(2) If any public property is leased, or permission to use or profit from such property is granted, to a person intending to operate a school for foreigners pursuant to Article 13 (9) of the Foreign Investment Promotion Act, the rate of reduction of or exemption from rent or use fees shall be as follows: <Amended by Ordinance No. 5787, Jan. 2, 2015>

1. Reduction of or exemption from the total amount: A school for foreigners which has an enrollment of 300 or more;
2. Reduction of or exemption from 75 percent: A school for foreigners which has an enrollment of not less than 100 but less than 300;
3. Reduction of or exemption from 50 percent: A school for foreigners which has an enrollment of less than 100.

(3) If any public property is leased for use as a common facility in a market, shopping mall and market revitalization zone under Article 18 of the Special Act on the Nurturing of Traditional Markets and Shopping Malls, the rate of reduction of or exemption from rent shall be 80 percent. <Amended by Ordinance No. 5118, Jul. 28, 2011>

(4) With respect to production and research facilities falling under any of the followings, the rate of rent may be reduced within the extent of 30/100 pursuant to Article 34 (2) of the Act: <Newly Inserted by Ordinance No. 4965, Apr. 22, 2010; Ordinance No. 5787, Jan. 2, 2015>

1. Production facilities constructed and used for manufacturing, construction, electricity, gas, steam and water supply, materials recovery, information and communications, and information service activities in accordance with Korea Standard Industrial Classification Table announced by the Director of the Statistics Korea;
2. Research facilities constructed and used for investigation, research, and examination, etc. concerning science, technology, and industry, etc.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 31 (Lease in Such Manner as to Pay Security Deposits)**

(1) Public property which may be leased in such a manner as to pay security deposits under Article 31 (4) of the Decree shall be as follows:

1. Public property necessary for the promotion of utilization of a large public complex built for public good and profitability;
2. Public property necessary for the promotion of utilization of any other public property (limited to that in which there are buildings or other structures) created from the operation of any profit-making business.

(2) Public property may be leased in such a manner as to pay security deposits under paragraph (1), only if:

1. Such lease is more favorable to the Seoul Metropolitan Government than the receipt of use fees or rent in the utilization of the said public property;
2. Such lease is unavoidably necessary to compete with neighboring private facilities;
3. Where other reasons corresponding to standards referred to in subparagraphs 1 and 2 accrue.

(3) Security deposits under paragraphs (1) and (2) of this Article shall not be less than the amount obtained by making a calculation in reverse so that, at the time of making a one-year time deposit with the Seoul Treasury Bank, interest thereon may be equivalent to annual rent under Article 31 of the Decree.

(4) Security deposits collected under paragraph (3) of this Article shall be managed in cash other than the revenue and expenditure under Article 40 of the Enforcement Decree of the Local Finance Act, and such management shall be followed by referring to the practices of that of the guaranty money referred to in the Seoul Metropolitan Government Rule on Finance and Accounting: Provided, That interest on such security deposits shall be included in the revenue of the Seoul Metropolitan Government.

(5) If the lease period expires, or if lease is revoked or terminated in the middle thereof, security deposits shall be repaid.

(6) In repaying security deposits due to revocation or termination under paragraph (5), rent shall be settled as follows if such revocation or termination is attributable to the lessee (hereinafter referred to as the "lessee"):

1. If interest on security deposits at the time of such termination is less than the amount calculated on the basis of the maturity interest rate until the expected date of repayment of security deposits due to any change in the deposit interest rate by such termination, the difference shall be paid by the lessee;
2. The lessee shall pay the amount to be paid under subparagraph 1 to the treasury of the Seoul Metropolitan Government until the date of repayment of security deposits. In this case, security deposits from which the said amount is deducted may be repaid failing such payment.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 32 (Special Cases concerning Rent, etc.)**

Where, during the relevant lease period, rent is increased by 5/100 or more over the preceding year pursuant to Articles 16 and 34 of the Decree, 70/100 shall be the rate of reduction to be reduced and adjusted on the increased portion exceeding 5/100 from among the increased portion thereof. <Amended by Ordinance 5787, Jan. 2, 2015>

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 33 (Rent Payment Period)**

(1) Rent for public property shall be paid prior to the date of commencement of use, if the lease period is not more than one year, and at least thirty days prior to the date of commencement of use each year, if the lease period is more than one year.

(2) Cases where the rent exceeding one million won is paid in installments pursuant to Article 32 (2) of the Decree shall be as follows: <Amended by Ordinance No. 5118, Jul. 28, 2011>

1. Deleted; <by Ordinance No. 5118, Jul. 28, 2011>

2. More than one million won nor more than two million won: Payment in three installments within six months;

3. More than two million won: Payment in four installments within nine months.

(3) Any venture business under the Act on Special Measures for the Promotion of Venture Businesses may, in accordance with Article 32 (2) of the Decree, pay rent in installments as follows: <Amended by Ordinance No. 5118, Jul. 28, 2011>

1. Not more than 500 thousand won: Payment in two installments within three months;

2. More than 500 thousand won nor more than one million won: Payment in three installments within six months;

3. More than one million won: Payment in four installments within nine months.

(4) Notwithstanding the provisions of paragraphs (1) through (3), the payment term for such rent as has already been or may be imposed may, if deemed particularly necessary due to any natural disaster or other accidents, be extended for a fixed period or determined otherwise.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 33-2 (Interest Rates, etc. on Payment of Rent in Installments)**

(1) Where rent is paid in installments pursuant to Article 32 (20 of the Decree, an interest rate on rent shall be three percent per annum.

(2) Where a foreign-invested enterprise under the Foreign Investment Promotion Act pays rent pursuant to Article 32 (3) of the Decree, an interest rate shall be three percent per annum.

[This Article Newly Inserted by Ordinance No. 5643, Jan. 9, 2014]

#### **Article 34 (Keeping of Lease Register)**

(1) A property manager shall never fail to keep a lease register of property. It may be replaced by an electronic file.

(2) Each of the following shall be specified in a lease register referred to in paragraph (1):

1. Status of leased property (classification between entries in a register and status of leased property);

2. Dates of lease agreements;

3. Full names and addresses of lessees;

4. Lease periods;

5. Prices of property;

6. Rates of rent;

7. Rent;

8. Payment dates of rent;

9. Details of renewal of agreements;

10. Other necessary matters.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 35 (Lease Agreement)**

If a lease agreement is concluded, a written lease agreement shall, even though gratuitous, be prepared and preserved to manage property thoroughly.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

## **SECTION 2 Sale**

#### **Article 36 (Payment of Price in Installments, etc.)**

SECTION 2 Sale(1) Where property falls under any of the following, the Mayor may allow a person who buys property to pay the price of general property sold in installments plus interest on the remainder of such price at the rate of three percent per annum within ten years pursuant to Article 39 (1) of the Decree: <Amended by Ordinance No. 5162, Mar. 15, 2012; Ordinance No. 5591, Oct. 4, 2013>

1. Where the State or a local government sells property which it will directly use for public purposes or for public service to the State or the relevant local government;

2. Where the property to be directly used by an office of education as a site for a school is sold to the said office of education;

3. Where the land which is not more than 90 square meters in area is sold to a beneficiary as defined in subparagraph 2 of Article 2 of the National Basic Living Security Act;

4. Where the land necessary for a knowledge industrial center under Article 2 of the Industrial Cluster Development and Factory Establishment Act, a site for an industrial complex development project under Article 27 of the Industrial Sites and Development Act, a site for a factory of a small or medium business operator under Article 14 of the Act on Special Measures for the Deregulation of Corporate Activities, an agricultural and industrial complex built by a local government, or a site for a factory

transferred to any place under the jurisdiction of the Seoul Metropolitan Government, is sold to the business operator concerned;

5. Where the property is sold to a person who intends to establish facilities for the welfare of disabled persons under the Act on Welfare of Persons with Disabilities.

6. Where property is sold pursuant to subparagraph 1 or 4 of Article 38;

7. Where the Mayor sells an apartment, townhouse or city-owned house built by the Seoul Metropolitan Government and the site thereof to a person who has rendered distinguished service to the State designated by the Minister of Patriots and Veterans Affairs;

8. Where the Mayor sells land (limited to land occupied or used by a privately owned building meeting standards prescribed by the Mayor for the execution of a housing redevelopment project pursuant to the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents) in an improvement area for the execution of a housing redevelopment project under subparagraph 2 (b) of Article 2 of the aforesaid Act to an occupant or user at the time of approval for the execution of the housing redevelopment project.

(2) Where property falls under any of the following, the Mayor may allow a person who buys property to pay the price of general property sold in installments plus interest on the remainder of such price at the rate of three percent per annum within five years pursuant to Article 39 (1) of the Decree: <Amended by Ordinance No. 5162, Mar. 15, 2012; Ordinance No. 5591, Oct. 4, 2013>

1. Where the property is sold under Article 38 (1) 4, 6, 7, 12 and 14 of the Decree;

2. Where the Mayor otherwise determines the date of delivery of the sold property and the price payment period or extends that date at the time of the conclusion of the contract in order that he/she may, by necessity, continue to occupy and use such property for a fixed period;

3. Where the property is sold for support for public services, in which case the Mayor deems that it is difficult to pay the price in a lump sum;

4. Where the property is sold to a social welfare corporation established under the Social Welfare Services Act or any other corporation governed by the Act on the Establishment and Operation of Public-Service Corporations for its services.

5. Where the Mayor sells land (limited to land occupied or used by a privately owned building meeting standards prescribed by the Mayor for the execution of a housing redevelopment project pursuant to the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents) in an improvement area for the execution of a housing redevelopment project under subparagraph 2 (b) of Article 2 of the aforesaid Act to a person who has succeeded to the rights and duties of an occupant or user at the time of approval for the execution of the housing redevelopment project pursuant to Article 10 of the aforesaid Act.

(3) Where any general property is necessary for the business purposes of a foreign-invested enterprise, etc., the price for such miscellaneous property plus interest on the remainder of that price at the rate of three percent per annum may be paid in installments for a period of not more than twenty years pursuant to Article 13 (6) of the Foreign Investment Promotion Act.

<Amended by Ordinance No. 5118, Jul. 28, 2011; Ordinance No. 5162, Mar. 15, 2012; Ordinance No. 5591, Oct. 4, 2013>

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 36-2 (Payment of Exchange Difference in Installments)**

The Mayor may allow the State or another local government to pay the exchange difference that occurs when the State or another local government exchanges its property with public property in order to directly use it for public purposes or for public service in installments for the remainder of the exchange difference and interest at three percent per annum within a period of five years.

<Amended by Ordinance No. 5162, Mar. 15, 2012; Ordinance No. 5643, Jan. 9, 2014>

[This Article Newly Inserted by Ordinance No. 5118, Jul. 28, 2011]

#### **Article 37 (Sale at Cost)**

The property which may be sold at cost under Article 42 of the Decree shall be as follows, and in this case, such cost shall consist of land purchase expenses (including all the compensations) and investment and development expenses (including construction expenses, if there is a building): <Amended by Ordinance No. 5118, Jul. 28, 2011>

1. Property situated in a general industrial complex or agricultural and industrial complex which is built by a local government pursuant to Articles 7 and 8 of the Industrial Sites and Development Act or a national industrial complex all or part of which is sold to a local government pursuant to Article 38-4 (2) of the said Act;

2. Property situated in a knowledge industrial center under the Industrial Cluster Development and Factory Establishment Act;

3. Property situated in a foreign investment area developed and managed by the Mayor for the purpose of promoting large foreign investment projects;

4. Property situated in a site directly developed by the Mayor for the purpose of promoting foreign investment.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 38 (Property which May Be Sold by Free Contract)**

Any property may, in the following cases, be sold by a free contract under Article 38 (1) 23 of the Decree: <Amended by Ordinance No. 5591, Oct. 4, 2013; Ordinance No. 5643, Jan. 9, 2013>

1. Where small land (meaning land the area of which is not more than 300 square meters in a Dong under the jurisdiction of the Special Metropolitan Government or other Metropolitan Government, 500 square meters in that under the jurisdiction of a Si, or

- 1,000 square meters in an Eup/Myeon under the jurisdiction of the said Metropolitan Government or a Si or Gun) on which a building not owned by the Seoul Metropolitan Government before or since December 31, 2003 is situated, is sold to the owner of such building;
2. Where a narrow and long disused road, ditch or embankment is located in one person's private land or a site surrounded by such land, 1/2 or more of the boundaries of which abut on such land;
3. Where land in a site for an industrial facility including an existing industrial complex, 1/2 or more of the boundaries of which abut on one person's private land, is sold to the owner of the relevant production facilities;
4. Where land the area of which is not more than 1,000 square meters in Seoul Metropolitan Government, other Metropolitan Government or Si or 2,000 square meters in other areas and on which a building not owned by the Seoul Metropolitan Government before or since December 31, 2003 is situated, is sold to the owner of such building to an extent not exceeding double the floor space thereof (if double the floor space of the building is less than the area of the small land referred to in subparagraph 1, including land not exceeding such area): Provided, That in cases of land which is occupied by clustered buildings not owned by local governments and which is unworthy of utilization thereby, only clustered part may be sold in lots to the extent of sale under the main sentence of this subparagraph even if the area of such land exceeds 1,000 or 2,000 square meters referred to in such main sentence;
5. Where land owned jointly by the Seoul Metropolitan Government and any other entity the Seoul Metropolitan Government's share of which is equivalent to a size referred to in subparagraph 1, is sold to any other such entity: Provided, That any other such entity's share shall not be less than 50 percent;
6. Where land of the Seoul Metropolitan Government in the same block or plot determined according to a district-unit planning under the National Land Planning and Utilization Act is sold to the owner of any other adjoining land who intends to construct a building in conformity with that planning;
7. Where one parcel of narrow and long land which is not suitable for building is sold to the owner of any other adjoining land;
8. Where property directly occupied or used by a religious organization for its religious purposes before or since December 31, 2003 is sold to such occupant or user.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 38-2 (Obligations of Management Authority at Time of Transfer of Disused Public Facilities)**

Where the head of a Gu permits a development project, executes or approves a rearrangement project, prepares or approves an execution plan in which matters concerning the reversion of public facilities and rearrangement infrastructure are included in accordance with the provisions of the National Land Planning and Utilization Act, the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents, the Urban Development Act, etc., he/she shall manage lest the ratio of the proceeds from sale of the Seoul Metropolitan Government-owned property constituting the proceeds from sale of the whole property, including property of the State or other local governments, be lower than the ratio of the value of the disused Seoul Metropolitan Government-owned property constituting the value of the disused whole property.

[This Article Newly Inserted by Ordinance No. 4965, Apr. 22, 2010]

### **SECTION 3 Trust**

#### **Article 39 (Category of Trust)**

SECTION 3 Trust In case of leaving general property in trust pursuant to Article 48 of the Decree, it shall be categorized into immovable property management trust, immovable property disposal trust, and land trust (classified into sale-type land trust, lease-type land trust and combined type land trust).

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 39-2 (Trusted Institution Selection Examination Committee)**

There is hereby established a Trusted Institution Selection Examination Committee of the Seoul Metropolitan Government (hereinafter referred to as the "Examination Committee") to select a trusted institution of the Seoul Metropolitan Government-owned general property prescribed by Article 48-2 of the Decree.

(1) The Examination Committee shall be comprised of not more than 30 members including the chairperson.

(2) The Director of Finance Bureau shall be the chairperson of the Examination Committee, and the Mayor shall commission members from among persons referred to in the following subparagraphs and commission private experts referred to in subparagraph 2 more than a majority of the members:

1. Members belonging to the standing committee concerned recommended by the Seoul Metropolitan Council;
2. Private experts who have knowledge of and experience in the relevant field, such as college professors, attorneys-at-law, certified public accountants, licensed tax accountants, etc.;
3. Public officials in Grade IV or higher belonging to the Seoul Metropolitan Government.

(3) The chairperson shall represent the Examination Committee and preside over its business, and where the chairperson is unable



to perform his/her duties owing to unavoidable circumstances, a member designated by the chairperson shall perform duties of the chairperson for him/her.

(4) The term of office of a member shall be two years from the date he/she is commissioned.

(5) The Examination Committee shall have one administrative secretary and one clerk for the conduct of its business, and a public official in Grade V in charge of trust management and development affairs in the Asset Management Department shall be the administrative secretary and a junior official in charge of the same affairs shall be the clerk. <Amended by Ordinance No. 5118, Jul. 28, 2011; Ordinance No. 5162, Mar. 15, 2012>

(6) A meeting of the Examination Committee shall be held by the attendance of a majority of the members and its resolutions shall be made with the consent of a majority of the members present at the meeting.

(7) Other detailed matters necessary in connection with the formation and operation of the Committee shall be prescribed by the Enforcement Rule.

[This Article Newly Amended by Ordinance No. 4965, Apr. 22, 2010]

## **CHAPTER VI MANAGEMENT OF PUBLIC FOREST LAND**

### **Article 40 (Management of Public Forest Land)**

CHAPTER VI MANAGEMENT OF PUBLIC FOREST LAND Public forest land shall be planted with such trees capable of yielding profits as grow slowly, which shall contribute to the financial soundness of the Seoul Metropolitan Government.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 41 (Restriction on Disposal)**

Public forest land shall be disposed of only if it is deemed that such disposal is necessary for public purposes including reclamation, etc., and such disposal shall require any careful examination of economic feasibility, future availability, etc.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

**Article 42 Deleted. <by Ordinance No. 4554, Oct. 1, 2007>**

## **CHAPTER VII MANAGEMENT OF OFFICE BUILDINGS**

### **Article 43 (Formulation, etc. of Plan for Maintenance of Office Buildings)**

CHAPTER VII MANAGEMENT OF OFFICE BUILDINGS (1) In cases of construction of a building of the Seoul Metropolitan Government or its affiliate office, the Mayor shall, in advance, examine whether or not such construction is advisable by a plan therefor, taking into account the location and size of such building, financial resources, etc. and formulate and implement a plan for the maintenance of office buildings.

(2) The order of priority of maintenance according to a plan for the maintenance of office buildings under paragraph (1) shall be as follows:

1. Disaster;
2. Peril of collapse;
3. New construction;
4. Lease;
5. Oldness;
6. Smallness;
7. Location inappropriateness.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 44 (Site for Office Buildings)**

The area of the site for an office building shall, in principle, be not less than three times the total floor space thereof: Provided, That when it is difficult to do so, not less than the building coverage ratio referred to in the Building Act may be permitted, taking into account regional circumstances.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 45 (Design of Office Buildings, etc.)**

In cases of construction of an office building, it shall be designed in accordance with the Standards for Normal Design Areas of Local Office Buildings (Table 1), and such design shall conform with the following:

1. Reasonable scale taking into account the future needs including the increase and decrease of administrative needs, organizations and personnel;
2. Exterior which brings out the peculiar traditional beauty as a symbol of a local community;
3. Horizontal and vertical design by which the extension is possible;

4. Design of military facilities and air-raid shelters as underground facilities for everyday use;
5. Installation of air conditioners;
6. Economical and safe construction;
7. Development of greenbelts capable of being used as parks and designation of security zones in the vicinity of the said office building.

(2) The standards set out in Table 1 shall apply mutatis mutandis to those for duty-related areas per capita, etc. in cases of construction of a local office building not provided for in that Table pursuant to paragraph (1).

(3) In cases of advisability examination of the construction of an official or public building such as an office building, whether or not to comply with the standards set out in Table 1 under paragraph (1) shall be examined.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 46 (Deliberation by Building Committee of Seoul Metropolitan Government)**

In cases of construction of an office building, the Building Committee shall deliberate on such construction in accordance with the Seoul Metropolitan Government Ordinance on Building.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 47 (Integration of Office Buildings)**

(1) In cases of construction of office buildings, they shall be integrated to such an extent as the relevant budget permits.

(2) In cases of implementation of urban planning projects, etc. to integrate office buildings, the site therefor shall be prepared on a priority basis.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **CHAPTER VIII MANAGEMENT OF OFFICIAL RESIDENCES**

#### **Article 48 (Definition)**

CHAPTER VIII MANAGEMENT OF OFFICIAL RESIDENCESAs used in this Chapter, the term "official residence" means any official house which is owned for the use of the Mayor, Vice Mayors or other public officials belonging to the Seoul Metropolitan Government.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 49 (Classification of Official Residences)**

The official residences shall be classified as follows:

1. Grade I official residence: Official residence for the use of the Mayor;
2. Grade II official residence: Official residence for the use of the Vice Mayors;
3. Grade III official residence: Official residence for the use of facility managers, other public officials belonging to the Seoul Metropolitan Government, etc.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 50 (Permission to Use Official Residence)**

The use of an official residence shall, upon application, be permitted by the Mayor: Provided, That the use of a Grade I or II official residence shall not require such permission.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 51 (Responsibility for Use)**

In using an official residence, any public official who does so (hereinafter referred to as the "user") shall, bona fide, manage it as follows:

1. To prevent any damage to property and facilities;
2. To prevent any loss of and damage to equipment;
3. To maintain cleanliness;
4. To reduce various public utility rates and to faithfully pay all public dues which shall be borne by the user.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 52 (Keeping of Official Residence Management Registers)**

In order to manage official residences efficiently, their respective specific management numbers and public officials who may use them shall be determined, and official residence management registers shall be kept and pigeonholed.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 53 (Revocation of Permission to Use Official Residence)**

The Mayor shall revoke permission to use an official residence in the following cases:

1. If the user is removed from his/her office;
2. If the user discontinues such use;

3. If there are serious difficulties in operating and maintaining the said official residence on a normal basis because the user neglects the bona fide management thereof under Article 49;
  4. If it is necessary to revoke permission to use the said official residence for the reasonable operation and maintenance thereof.
- [This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 54 (Responsibility for Bearing Expenses Incurred in Operation of Official Residence)**

Expenses incurred in the operation of an official residence shall, in principle, be borne by the user thereof: Provided, That the following expenses may be reimbursed from the relevant budget:

1. Expenses incurred in the construction, reconstruction and extension of a building, in the construction of a structure and a fixture and in the installation of a large apparatus such as a boiler and an air conditioner, and basic facility expenses such as communications facility expenses, waterworks facility expenses and landscaping facility expenses;
2. Expenses incurred in the maintenance and management of property, including those incurred in the maintenance and repair of a building and a fire-insurance premium;
3. Expenses incurred in the operation of a boiler;
4. Expenses incurred in the purchase, maintenance and management of basic ornamentation, such as a set of parlor furniture and a curtain (limited to a Grade I or II official residence);
5. Electricity charges (limited to a Grade I official residence);
6. Telephone charges (limited to a Grade I or II official residence);
7. Water charges (limited to a Grade I official residence);
8. Common-area charges, if an official residence is an apartment (limited to a Grade I official residence).

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 55 (Exemption from Use Fees)**

If an official residence referred to in Article 49 falls under any of the following subparagraphs, it may be exempted from the total amount of the use fees:

1. In cases of direct use by a public official eligible for use;
2. In cases of use for temporary protection;
3. In cases of use by the public official concerned for the protection, guard, etc. of relevant facilities.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 56 (Management of Equipment)**

A commodity manager referred to in Article 52 of the Act shall separately keep a register of equipment used in an official residence and enter and manage equipment and basic ornamentation purchased from the relevant budget under Article 54 in such register.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 57 (Handover, Takeover, etc.)**

(1) If permission to use an official residence is revoked pursuant to Article 53, the user thereof shall hand over the official residence not later than the date fixed by the Mayor.

(2) If the user hands over an official residence pursuant to paragraph (1), he/she shall identify and pay the amount which shall be borne by him/her among official residence operation expenses incurred until the date of such handover and shall hand over the following to the next user or a public official in charge of the official residence:

1. Status of facilities, installations and commodities belonging to the said official residence;
2. Condition of payment of official residence operation expenses;
3. Other necessary matters.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 58 (Compensation Measures)**

If the user destroys or damages facilities of an official residence by his/her negligence or loses or damages equipment therefor (including fittings, installations and commodities) purchased from the relevant budget in the course of using the official residence, he/she shall provide compensation therefor.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 59 (Application Mutatis Mutandis)**

Articles 48 through 58 shall apply mutatis mutandis to leased official houses subject to a debt-claim.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

## **CHAPTER IX COMMON PROVISIONS ON COMMODITIES**

#### **Article 60 (Classification of Commodities)**

CHAPTER IX COMMON PROVISIONS ON COMMODITIESThe classes and condition categories of commodities shall be as shown in Table 2.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 61 (Arrangement Categories of Commodities)**

The arrangement categories of commodities shall be as shown in Table 3.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 62 (Year Categories)**

(1) In cases of commodities, the fiscal year shall begin on January 1 and end on December 31 of each year. <

(2) The year of receipt and delivery of commodities shall be that including the date when they are received and delivered.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 63 (Request for Purchase, etc. of Commodities)**

The head of the competent authority shall, if it is necessary to purchase, repair or produce commodities, submit a request for the purchase (repair or production) of commodities prescribed by the Enforcement Rule to a commodity receipt and delivery officer, who shall, in turn, submit that request to an accountant.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 64 (Examination of Request for Purchase of Commodities)**

(1) If the head of the competent authority requests the purchase of commodities pursuant to Article 63, a commodity manager shall have them purchased after examining whether or not they are included in the commodities whose number is determined and are reflected in a plan for the management of supply and demand of commodities pursuant to Articles 57 and 58 of the Decree.

(2) No accountant shall purchase commodities requested under Article 63 without making an examination under paragraph (1) of this Article.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 65 (Purchase of Commodities by Ordinary Expenses)**

(1) The purchase of commodities by ordinary expenses shall be limited to expendable supplies.

(2) In cases of purchase of commodities under paragraph (1), an assistant accountant may directly purchase (repair or produce) the said commodities by ordinary expenses granted to him/her.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 66 (Acceptance of Contributions)**

(1) The head of the competent authority who receives a report of contribution or gift of commodities shall, after prior consultation with a commodity manager, refer them to the Contributions Deliberation Committee.

(2) The head of the competent authority shall notify a commodity manager of the results of the deliberations of the Contributions Deliberation Committee.

(3) If there is a report of contribution or gift of commodities which are not included in deliberation by the Contributions Deliberation Committee, a commodity receipt and delivery officer (an assistant commodity receipt and delivery officer) shall, in the form prescribed by the Enforcement Rule, report such contribution or gift to a commodity manager, who shall decide whether or not to accept such commodities after reporting to the head of the organ to which he/she belongs.

(4) If such acceptance is decided upon pursuant to paragraphs (1) and (3), a commodity manager shall issue a written receipt of contributions prescribed by the Enforcement Rule to the contributor and notify a commodity receipt and delivery officer and the head of the competent authority.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **CHAPTER X RECEIPT AND DELIVERY**

#### **Article 67 (Change in Classification)**

CHAPTER X RECEIPT AND DELIVERYIf a commodity manager decides to change the classes or categories of commodities, he/she shall notify a commodity receipt and delivery officer.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 68 (Commodities Classified as Expendable Supplies)**

Commodities purchased for the purpose of repairing or replenishing equipment and those which shall be supplied, may be classified as expendable supplies.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 69 (Prices of Commodities)**

The prices of commodities shall be as follows:

1. In cases of a purchased commodity, the purchase price;
  2. In cases of a produced commodity, the amount obtained by adding the production cost to the raw material price: Provided, That in cases of a commodity produced by a full-time mechanic, the amount obtained by adding the wages to the raw material price;
  3. In cases of a product, the appraised value stated in a written transfer;
  4. In cases of a contributed commodity, the appraised value;
  5. In cases of a commodity the management of which is transferred, the amount stated in a written transfer;
  6. In cases of a commodity other than those referred to in subparagraphs 1 through 5, the price of which is not clear, the estimated value;
  7. In cases of a commodity referred to in any of subparagraphs 1 through 5, the price of which is deemed to fluctuate considerably after its first entry in a book, the presumed value determined by a commodity manager.
- [This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 70 (Carry-Over of Unused Commodities)**

A commodity receipt and delivery officer shall include any unused commodity as of the end of each year in the same category in the following year as if there were a carry-over order.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 71 (Inquiry into Demand for Disused Commodities and Decision on Disuse)**

(1) If a commodity manager intends to sell any of the following commodities, forest products, livestock products, or other products, he/she shall decide on the disuse thereof by a disuse decision notification prescribed by the Enforcement Rule:

1. Commodities the use of which becomes unnecessary and is not expected in the future;
2. Commodities held in stock in excess of the predictable demand for a period of time;
3. Attachments to materials whose use is impossible or which are lost and cannot be renewedly acquired;
4. Commodities which, because of any change in their standards or models, cannot be used for the original purpose even though they are repaired;
5. Commodities removed from installations and incapable of being utilized;
6. Commodities which, because of their damage or abrasion, cannot be used for the original purpose even though they are repaired;
7. Commodities requiring repair, which is uneconomical;
8. Commodities with respect to which it is deemed that there are reasons similar to those falling under subparagraphs 1 through 7.

(2) The demand for recyclable commodities among disused commodities under paragraph (1) shall be inquired of the State and local governments: Provided, That this may not apply to any of the following commodities:

1. Commodities which shall be urgently disposed of in view of the properties thereof;
2. Commodities which, because of their damage or abrasion, cannot be used for the original purpose even though they are repaired;
3. Commodities requiring repair, which is uneconomical;
4. Commodities with an acquisition price of less than five million won stated in a book;
5. Other commodities whose duration has expired and whose recycling is uneconomical.

(3) Inquiries into the demand for disused commodities under paragraph (2) shall be made to administrative agencies belonging to the Seoul Metropolitan Government, autonomous Gus and central administrative agencies located in districts under its jurisdiction, other Metropolitan Cities, and Dos: Provided, That inquiries into the demand for recyclable commodities with an acquisition price of less than 20 million won stated in a book shall be made to administrative agencies belonging to the Seoul Metropolitan Government and autonomous Gus located in districts under its jurisdiction.

(4) Inquiries into the demand for disused commodities under paragraphs (2) and (3) may be replaced by inclusion in the commodity management computer system of the Public Procurement Service or the Seoul Metropolitan Government.

(5) Disused commodities with respect to which there is no authority in need thereof as a result of inquiries into the demand therefor under paragraph (3), but it is expected that there will be such demand within one year, and the recycling of which is economical, may be separately managed.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 72 (Sale of Disused Commodities)**

(1) Except as provided for in any of the following subparagraphs, a report on the disposal of disused commodities by sale shall be prepared with respect to commodities the disuse of which is decided upon under Article 71, in which case they shall be disposed of by sale:

1. Where the proceeds from the sale do not remain after payment of selling expenses;
2. Where there is no purchaser;
3. Where the sale is deemed inappropriate.

(2) A commodity receipt and delivery officer shall, if commodities are disposed of by sale under paragraph (1), receive a receipt



from the other party to the commodity contract and deliver them to that party after full payment of the price by that party.

(3) A public official in charge of commodity contracts shall determine the selling price on the basis of any of the following:

1. Overall amount of sale;
2. Overall amount of two or more commodities;
3. Overall amount of the same commodities;
4. Overall amount of the same category or standard units.

(4) If disused commodities are disposed of, the selling price thereof shall be determined, taking into account the market price thereof: Provided, That the selling price of recyclable commodities with an acquisition price of not less than 20 million won stated in a book whose duration does not expire shall be determined, taking into account the appraised value determined by any corporation carrying on appraisal business under Article 27 (1) of the Decree.

(5) If an appraisal corporation under paragraph (4) is incapable of appraisal or if it is deemed that such appraisal is of no practical use, the selling price of commodities shall be determined on the basis of the estimated value or actual transaction price directly collected from the other party to a commodity contract or any third person.

(6) A report on the disposal of disused commodities by sale under paragraph (1) shall be deemed to be a commodity receipt and delivery order.

(7) An accountant may not, in selling commodities, prepare a contract for the sale thereof, if the purchaser immediately pays the price for the commodities and takes delivery of them.

(8) Disused commodities shall be disposed of by sale twice a year (April and September): Provided, That they may, when deemed necessary, be so disposed of at any time.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 73 (Destruction of Disused Commodities)**

(1) A commodity manager shall burn or destroy (dismantle) commodities falling under any subparagraph of Article 72 (1) after preparing a report on the destruction (dismantlement) of disused commodities prescribed by the Enforcement Rule.

(2) Disused commodities shall, only in the presence of a designated public official, be destroyed (dismantled) under paragraph (1).

(3) A report on the destruction (dismantlement) of disused commodities under paragraph (1) shall be deemed to be a commodity receipt and delivery order.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

## **CHAPTER XI PRESERVATION**

### **Article 74 (Category of Preservation)**

CHAPTER XI PRESERVATION(1) In preserving commodities, they shall be categorized into two types: commodities in stock and official commodities.

(2) Among official commodities, those used exclusively by each of the public officials belonging to the Seoul Metropolitan Government and used jointly by such public officials shall be exclusive-use commodities and joint-use commodities, respectively.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 75 (Responsibility for Preservation)**

A commodity receipt and delivery officer or assistant commodity receipt and delivery officer and the commodity receipt and delivery officer, assistant commodity receipt and delivery officer or head of the competent authority shall be responsible for the preservation of commodities in stock and joint-use commodities, respectively, and exclusive-use commodities shall be preserved by a person who exclusively uses them under the direction and supervision of the head of the competent authority.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 76 (Temporary Preservation)**

(1) A commodity receipt and delivery officer or the head of the competent authority may, if deemed particularly necessary for the preservation of commodities, have depositories or other credible persons preserve them temporarily with the approval of the head of the organ to which he/she belongs.

(2) If commodities are temporarily preserved pursuant to paragraph (1), they shall be delivered to the recipient after receiving a receipt from him/her.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **Article 77 (Report on Loss of or Damage to Commodities)**

(1) If the head of the competent authority or an assistant commodity receipt and delivery officer loses or damages commodities in the custody of him/her, he/she shall immediately prepare a report including the reasons for such loss or damage and submit it to a commodity receipt and delivery officer.

(2) If a commodity receipt and delivery officer receives a report under paragraph (1), he/she shall make investigation and report,

with his/her opinion, to a commodity manager.

(3) If a commodity receipt and delivery officer loses or damages commodities in the custody of him/her, he/she shall report the detailed reasons for such loss or damage to a commodity manager.

(4) A commodity manager shall, if he/she receives a report under any of paragraphs (2) and (3) from a commodity receipt and delivery officer, report to the Mayor without delay.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 78 (Liability of Commodity Preserver for Reimbursement)**

(1) If the Mayor receives a report under Article 77, he/she shall issue the following orders to any person responsible for preservation:

1. In cases of loss of commodities, an order to deliver substitute commodities or to pay the equivalent value;
2. In cases of damage to commodities, an order to repair them or to pay expenses incurred in such repair: Provided, That subparagraph 1 shall apply when they cannot be used even though they are repaired.

(2) If a reimbursement decision under public law is made after a reimbursement order is issued under paragraph (1), such reimbursement decision shall be complied with notwithstanding the provisions of paragraph (1).

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

## **CHAPTER XII BOOKS**

#### **Article 79 (Books of Commodity Receipt and Delivery Officers)**

CHAPTER XII BOOKS(1) A commodity receipt and delivery officer shall keep and pigeonhole the following books in the form prescribed by the Enforcement Rule:

1. A commodity receipt and delivery ledger;
2. An equipment receipt, delivery and management card;
3. A register of commodity cards;
4. A list of books.

(2) An assistant commodity receipt and delivery officer shall keep an equipment receipt, delivery and management card and a list of books among the books under paragraph (1) of this Article and imprint the equipment receipt, delivery and management card with a rubber stamp of "commodity whose number is determined" in the case of such commodity under Article 64 (1).

(3) In addition to the books under paragraph (1), supplementary books may, if necessary, be kept.

(4) If the contents of books kept pursuant to paragraph (1) are computerized, such keeping shall be replaced by such computerization.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 80 (Preparation of Books)**

(1) Books other than those related to equipment shall be separately prepared each year: Provided, That in cases of any book whose entries are short, the former book may continue to be used, in which case they shall be clearly classified by year.

(2) The preparation of books under paragraph (1) shall be replaced by computerization.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 81 (Preservation of Evidentiary Documents and Books)**

A commodity manager, a commodity receipt and delivery officer, the head of the competent authority or an assistant commodity receipt and delivery officer shall preserve evidentiary documents and books under his/her jurisdiction for five years.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 82 (Inspection of Commodity Management Duties)**

(1) An inspection of the management of commodities under Article 90 of the Decree shall be conducted by a commodity manager.

(2) Notwithstanding the provisions of paragraph (1), the Mayor or the head of any competent organ may, if deemed necessary, appoint an inspector from among the staff members under his/her supervision and have the inspector inspect commodity receipt and delivery duties.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 83 (Inspection of Commodities or Designation and Presence of Inspectors)**

(1) In conducting any inspection under Article 82, if a commodity receipt and delivery officer who shall undergo such inspection is unable to do so due to unavoidable circumstances, an inspector shall have a designated staff member present himself/herself.

(2) A commodity receipt and delivery officer or assistant commodity receipt and delivery officer shall inspect or evaluate the purchase, repair and mending of commodities and conduct any other inspection or evaluation according to a report on inspection of commodities prescribed by the Enforcement Rule.

(3) Construction materials supplied by any administrative agency for the purpose of using them for facility construction shall be

inspected by a public official supervising such construction and evaluated by an assistant commodity receipt and delivery officer.  
[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 84 (Commodity Inspection Certificates)**

(1) If an inspector conducts any inspection pursuant to Article 82 or 83 (1), he/she shall prepare two commodity inspection certificates in the form prescribed by the Enforcement Rule, issue one to the commodity receipt and delivery officer in question or a person presenting himself/herself, and submit the other to the Mayor or the head of the organ to which the inspector belongs.

(2) Each inspection certificate under paragraph (1) shall be signed and sealed jointly by an inspector and the commodity receipt and delivery officer in question or a person presenting himself/herself.

(3) Electronic documents may be used in the procedures for the preparation of a form, sealing, etc. under paragraphs (1) and (2).

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 85 (Transfer of Commodity Receipt and Delivery Duties)**

If a public official in charge of the management of commodities is replaced, he/she shall hand over his/her duties to his/her successor within five days after such replacement is officially announced.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 86 (Transfer by Other Staff Member)**

If a public official in charge of the management of commodities is unable to hand over his/her duties due to his/her death or any other accident, the Mayor or the head of the organ to which such public official belongs shall have a person designated by that Mayor or head from among the staff members under the supervision of that Mayor or head perform transfer duties under Article 85.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 87 (Procedures for Transfer)**

In cases of transfer under Article 85 or 86, a commodity receipt and delivery register shall be completed on the date prior to the transfer, and the date of such transfer shall be stated in that register, which shall be signed and sealed jointly by the transferor and the transferee.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 88 (Transfer of Duties Arising out of Reorganization)**

The head of a changed or dissolved organ shall establish a plan for the disposal of commodities under his/her jurisdiction and submit it to the Coordinator of Commodity Management at least thirty days prior to such change or dissolution and shall, at least five days prior thereto, hand over commodities subject to disposal to a commodity receipt and delivery officer. [This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

### **CHAPTER XIII SUPPLEMENTARY PROVISIONS**

#### **Article 89 (Imposition of Indemnity)**

CHAPTER XIII SUPPLEMENTARY PROVISIONS(1) If it is intended that any indemnity under Article 81 (1) of the Decree shall be imposed and collected, a person taking possession of the public property in question shall, in advance, be given notice of such imposition and collection in the form prescribed by the Enforcement Rule.

(2) A person taking possession of the public property in question who has an objection to the imposition and collection of an indemnity under paragraph (1) may, in writing, present his/her opinion on an advance notice in the form prescribed by the Enforcement Rule.

(3) Any indemnity provided for in Article 81 of the Decree shall be collected by fiscal year, but the indemnity in the preceding year shall be imposed and collected in March of this year: Provided, That it shall, at any time, be imposed and collected if there is any special reason such as the disposal of property or if otherwise deemed necessary.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 90 (Payment of Indemnity in Installments)**

(1) The payment of an indemnity in installments under Article 81 (1) of the Decree shall be as follows: <Amended by Ordinance No. 5118, Jul. 28, 2011>

1. Deleted; <by Ordinance No. 5118, Jul. 28, 2011>

2. More than one million won nor more than two million won: Payment in four installments within one year;

3. More than two million won nor more than three million won: Payment in eight installments within two years;

4. More than three million won: Payment in twelve installments within three years.

(2) Where a person who takes possession of public property without permission intends to pay an indemnity in installments under Article 81 (1) of the Decree, he/she shall submit a written application for payment in installments prepared in the form prescribed by the Enforcement Rule.

(3) Where an indemnity is paid in installments pursuant to Article 81 (1) of the Decree, an interest rate shall be three percent per annum. <Newly Inserted by Ordinance No. 5643, Jan. 9, 2014>

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 90-2 (The Collection Deferment Period)**

The collection deferment period of an indemnity under Article 81 (4) of the Decree shall be 1 year.

[This Article Newly Inserted by Ordinance 5787, Jan. 2, 2015]

#### **Article 91 (Payment of Reward for Report on Concealed Property)**

(1) The reward rate and maximum amount for each type of concealed property, etc. under Article 84 (2) of the Decree shall be as follows, but the total reward shall not exceed 30 million won:

1. Amount equivalent to 10/100 of the value of property within the scope of six million won for each lot with respect to any person who reports the following:

(a) Property the transfer of the ownership of which is registered by using any official seal stolen or forged;

(b) Property the transfer of the ownership of which is registered in the name of any private individual by unjustifiable means including the preparation of false documents;

2. Amount equivalent to 5/100 of the value of property within the scope of three million won for each lot with respect to any person who reports property other than that referred to in subparagraph 1:

(2) A reward may be paid after the concealed property is confirmed and registered as public property, and if there are two or more reporters, the initial reporter shall be subject to the payment of the reward.

(3) No reward shall be paid to a person who voluntarily returns any concealed property and who falls under Article 85 of the Decree: Provided, That when the reporter who is deemed to be certain to have acquired such reported property in good faith abandons the purchase thereof, the reward may be paid to him/her.

(4) The identity of a reporter of concealed property or contents of a report thereon shall be neither made public nor disclosed to other persons.

#### **Article 91-2 (Interest Rate on Additional Charges to Refund of Overpaid or Erroneously Paid Money)**

An interest rate on an additional charge to refund of overpaid or erroneously paid money under Article 82 of the Decree shall be three percent per annum.

[This Article Newly Inserted by Ordinance No. 5643, Jan. 9, 2014]

#### **Article 92 (Application for Combination of Lots)**

If there is any land or forest land the combination of lots of which is possible, among public property under the jurisdiction of the Mayor, he/she shall immediately apply to the head of the competent Si/Gun/Gu for such combination.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]

#### **Article 93 (Subdivision of Public Land into Lots)**

If there is any public land capable of being subdivided into lots by owned shares among public property under the jurisdiction of the Mayor, he/she may subdivide that land into lots, taking into account its form and use frequency. In this case, it shall be subdivided into lots in the manner in which the rate of value of each lot after such subdivision is the same as that of the said owned shares, and the appraisal therefor shall be entrusted to any appraisal corporation established under the Public Notice of Values and Appraisal of Real Estate Act.

[This Article wholly Amended by Ordinance No. 4803, May 28, 2009]