

SEOUL SPECIAL METROPOLITAN CITY ORDINANCE ON THE MAINTENANCE AND IMPROVEMENT OF URBAN AREAS AND DWELLING CONDITIONS FOR RESIDENTS

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CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

CHAPTER I GENERAL PROVISIONS The purpose of this Ordinance is to prescribe matters delegated by the Act on the Improvement of Urban Areas and Residential Environments, the Enforcement Decree of the same Act, and the Enforcement Rule of the same Act, as well as those necessary for the enforcement thereof.

Article 2 (Definitions)

The terms used in this Act shall be defined as follows:

1. The term "specific unlicensed structure" means any "unlicensed building, etc. existing as of January 24, 1989" referred to in Article 5 of the Addenda to the Enforcement Rule of the Act on Acquisition of and Compensation for Land, etc. for Public Works Projects (Ordinance of the Ministry of Construction and Transportation No. 344);
2. The term "newly appeared unlicensed structure" means any unlicensed structure other than the specific unlicensed structures defined in subparagraph 1;
3. The term "base date of a management and disposal plan" means the end date of the period for filing applications to purchase a building site or unit referred to in Article 72 (1) 3 of the Act on the Improvement of Urban Areas and Residential Environments (hereinafter referred to as the "Act");
4. The term "value of right" means the total value of the former land, etc. computed pursuant to Article 36 (3) as at the base date of a management and disposal plan;
5. The term "dwelling density" means the number of buildings built per hectare of an improvement zone, as an indicator of the degree of concentration of buildings; and shall be calculated according to the following criteria:
 - (a) In cases of multi-family housing, one household with separate ownership which is, as a structure in which independent residential life can be enjoyed, located on the floor where the largest number of households exists, shall be deemed one building; and the number of households on the remaining floors shall not be counted therein;
 - (b) Newly appeared unlicensed buildings shall be excluded from the counting of the number of buildings;
 - (c) Areas of parks to be remained or of parks where projects are completed and areas of schools to be remained shall be excluded from the area of an improvement zone;
 - (d) Where the construction of any detached houses or multi-unit houses are completed and then converted into multi-household houses, the dwelling density shall be computed notwithstanding the registration of divided ownership of multi-household houses, according to the number of buildings existed before such conversion;
 - (e) Where it is necessary to rearrange the locations of any existing factories in a semi-industrial area due to implementation of an improvement project, the dwelling density shall be computed excluding the areas of factory sites and factory buildings from the area of the improvement zone;
 - (f) In cases of a non-residential building, 90 square meters per building area shall be construed as one building, and numbers below the decimal point shall be cut off;
6. The term "change of the method of implementing a project" means a change of the method of implementing an improvement project pursuant to Article 123 (1) of the Act or Article 14 of the Addenda to the Act on the Improvement of Urban Areas and Residential Environments (Act No. 6852);
7. The term "non-homeowner householder" means the head of a household, in the case of which none of its members (including the spouse of the householder and household members who form the same household with the householder, who are not listed in

the same resident registration card with the householder) including the householder, owns any house;

8. The term "structure unapproved for use" means a virtually completed structure that has obtained building permit, etc. pursuant to the relevant statutes and/or regulations but has failed to obtain approval of use, approval of completion, etc.;

9. The term "undersized lot of land" means any land smaller than 90 square meters;

10. The term "road contact rate of houses" means a rate calculated by dividing the total number of floors of buildings on sites that border at least four meters on at least four-meter-wide roads by the total number of floors of the buildings within an improvement zone, which is an indicator for determining whether there is a shortage of fundamental infrastructure under subparagraph 1 (e) of attached Table 1 related to Article 7 (1) of the Enforcement Decree of the Act on the Improvement of Urban Areas and Residential Environments (hereinafter referred to as the "Decree"): Provided, That in cases of a dead-end road which is at least thirty-five meters long, the width shall be six meters;

11. The term "base date for determining the right" means the base date for determining the right to purchase a unit of structure under Article 77 of the Act, which is the date on which a public notice is made pursuant to Article 16 (2) of the Act or the date separately determined by the Mayor before designating and publicly notifying an improvement zone following the formulation of a master plan to control speculation;

12. The term "residential area preservation project" means a project implemented in a redevelopment zone (referring to an improvement zone in which a redevelopment project is implemented; hereinafter the same shall apply) to construct rental housing, including the improvement, construction, etc. of buildings, to preserve the characteristics of the relevant residential area such as the geographical features, grounds, alleys and life-style and to invigorate the village community.

Article 3 (Classification of Redevelopment Projects)

The redevelopment projects defined in subparagraph 2 (b) of Article 2 of the Act shall be classified as follows:

1. Housing improvement-type redevelopment projects: Redevelopment projects implemented to improve residential environments in an area where fundamental infrastructures are poor and dilapidated and substandard structures are clustered;
2. Urban improvement-type redevelopment projects: Redevelopment projects implemented to improve urban environments, including restoration of urban functions and activation of commercial power in a commercial area, industrial area, etc.

Article 4 (Dilapidated or Substandard Structures)

(1) The criteria for determining a structure as a dilapidated or substandard structure under Article 2 (3) 1 of the Decree shall be as follows:

1. Multi-family housing:

(a) Multi-family housing with reinforced concrete, steel framed concrete, steel framed reinforced concrete, or steel structure: The period specified in attached Table 1;

(b) Multi-family housing other than those referred to in item (a): 20 years;

2. Structures other than multi-family housing:

(a) Structures with reinforced concrete, steel framed concrete, steel framed reinforced concrete, or steel structure (excluding detached houses under subparagraph 1 of attached Table 1 of the Enforcement Decree of the Building Act: 30 years;

(b) Structures other than those referred to in item (a): 20 years.

(2) Dilapidated and substandard structures under Article 2 (2) 1 of the Decree refer to the structures constructed before August 11, 2009 in an undersized lot of land that cannot be used as a building site.

(3) The classification and structure by use of a structure unapproved for use shall be as specified in the relevant building permit, and the year in which falls the date on which property tax, water charges, electricity charges, etc. are first imposed shall be deemed as the year when the construction is completed.

Article 5 (Common Facilities)

The common facilities specified by City/Do municipal ordinance pursuant to subparagraph 3 of Article 4 of the Decree shall be as follows:

1. Facilities necessary for the safety of, and common use and management by, the community, such as administrative offices, security guard offices, security and anticrime prevention facilities;

2. Welfare facilities for community activities, such as residents' sports facilities and libraries;

3. Facilities necessary for the development of residents' income sources, such as a joint market and a joint workshop, and for regional revitalization;

4. Facilities necessary to improve the environment of the village, such as waste collection and disposal facilities;

5. Commuting-system welfare facilities for older persons at home that provide day and night protection services referred to in Article 38 (1) 2 of the Welfare of Older Persons Act, and welfare facilities for persons with disabilities (referring to the day care facilities for persons with disabilities among the community rehabilitation facilities for persons with disabilities that fall under Article 58 (1) 2 of the Act on Welfare of Persons with Disabilities).

CHAPTER II DESIGNATION OF IMPROVEMENT ZONES

Article 6 (Requirements for Areas Eligible for Formulation of Improvement Plan)

CHAPTER II DESIGNATION OF IMPROVEMENT ZONES(1) The requirements for areas eligible to formulate an improvement plan pursuant to subparagraph 4 of attached Table 1 under Article 7 (1) of the Decree shall be as follows:

1. A residential environment improvement zone (referring to an improvement zone where a residential environment improvement project is implemented; hereinafter the same shall apply) refers to any of the following areas, the dwelling density of which is at least 80: Provided, That the forgoing shall exclude cases where the project is implemented by the method referred to in Article 23 (1) 1 of the Act (hereinafter referred to as "management-type residential environment improvement project"):
 - (a) An area where the number of dilapidated and substandard structures is at least 60 percent of the total number of structures in the eligible zone;
 - (b) An area where the road contact rate of houses does not exceed 20 percent;
 - (c) An area where undersized lots of land are at least 50 percent of all lots of the land in the eligible zone;
2. A housing improvement-type redevelopment zone (referring to a zone where a housing improvement-type redevelopment project is implemented; hereinafter the same shall apply) refers to any of the following areas, the size thereof is at least 10 thousand square meters (or at least five thousand square meters, in cases deliberated on and recognized by the Urban Planning Committee of the Seoul Metropolitan Government pursuant to Article 16 (1) of the Act, or, in cases deliberated on and recognized by the Urban Renewal Committee under Article 34 of the Special Act on the Promotion of Urban Renewal (hereinafter referred to as the "Urban Renewal Act") in an urban renewal acceleration district under Article 5 of the same Act):
 - (a) An area where the undersized lots of land are at least 40 percent of all lots of land in the zone;
 - (b) An area where the road contact rate of houses does not exceed 40 percent;
 - (c) An area where the dwelling density is at least 60.
- (2) An improvement zone shall be designated in accordance with the master plan to improve urban and residential environments established under Article 4 of the Act in addition to the requirements for the area eligible to formulate an improvement plan prescribed in paragraph (1).
- (3) Notwithstanding paragraph (1), where it is deemed necessary for the standardization of sites, securement of efficient infrastructure, etc. pursuant to subparagraph 4 of attached Table 1 under Article 7 (1) of the Decree, an improvement plan may be formulated up to 110/100 of the size of the area eligible to formulate the improvement plan after deliberation by the Urban Planning Committee of the Seoul Metropolitan Government.
- (4) "Area prescribed by City/Do municipal ordinance" in subparagraph 3 (d) of attached Tale 1 under Article 7 (1) of the Decree means at least 10 thousand square meters: Provided, That if an existing individual housing complex is at least 10 thousand square meters, an improvement plan shall be formulated only where it is deemed necessary for the standardization of sites, securement of the efficient infrastructure, etc. after deliberation by the Urban Planning Committee of the Seoul Metropolitan Government.
- (5) An urban improvement-type redevelopment zone (referring to a zone where an urban improvement-type redevelopment project is implemented; hereinafter the same shall apply) in a station's sphere of influence referred to in subparagraph 2 (f) of attached Table 1 under Article 7 of the Decree, shall be established for each of the following areas:
 1. A station's sphere of influence refers to an area which falls below the district center in the district central system of an urban/Gun master plan under subparagraph 3 of Article 2 of the National Land Planning and Utilization Act, in areas within a radius of five hundred meters from the boundary of a platform of a railway station;
 2. Notwithstanding subparagraph 1, any of the following areas shall be excluded from a station's sphere of influence: Provided, That cases deemed inevitable after deliberation by the Urban Planning Committee of the Seoul Metropolitan Government shall be exceptional:
 - (a) An area abutting on an exclusive residential area, urban natural park, neighborhood park, natural scenic district, or maximum height limited district; (excluding the maximum height limited district around the Kimpo Airport);
 - (b) A focused landscape management area, a hilly area, and an area where the Standards for Creation of Landscape of Hangang River Axis apply according to a landscape plan referred to in Article 7 of the Landscape Act;
 3. An area where the number of dilapidated and substandard structures is at least 60 percent of the total number of structures in the eligible area.

Article 7 (Matters to Be Surveyed and Ascertained when Formulating Improvement Plans)

"Other matters specified by City/Do municipal ordinance" in Article 7 (2) 7 of the Decree means the following:

1. The status of residing households and tenants;
2. The status of the land use plan specified in an urban management plan;
3. The status of land by use, by owner, and by size;
4. The status of permits for structures, and the dilapidation and substandard status of the structures;
5. The status of structures by use, by structure, by size, and by year elapsed after construction (completion of construction);
6. Tangible and intangible cultural relics and the status of protected trees in the improvement zone, and the origin of the area;

7. The status of obtaining consents (limited to cases of proposal by residents) to the designation of the improvement zone, from the owners of a plot of land or structure defined in subparagraph 9 of Article 2 of the Act (hereinafter referred to as "owners of a plot of land or structure");
8. The status of existing trees;
9. Opinions of residents (the owners of a plot of land or structure and tenants) on designating the zone;
10. The sizes of the housing units which the owners of a plot of land or structure wish to purchase, and their intention to bear financial burdens;
11. Whether tenants intend to move into rental housing units and the sizes of the rental housing units which they wish to move into;
12. Opinions of the owners of a plot of land or structure on omitting the stage of organizing a committee for promoting the establishment of an association (hereinafter referred to as "promoters' committee") pursuant to Article 31 (4) of the Act.

Article 8 (Contents of Improvement Plan)

(1) "Other matters specified by City/Do municipal ordinance for efficiently implementing improvement projects" in Article 8 (3) 11 of the Decree means the following:

1. Plans relating to households or lots;
2. Plans relating to the construction of rental housing [the head of an autonomous Gu (hereinafter referred to as the head of a "Gu") may formulate a plan for the construction of rental housing for college students and young people in the neighborhood of a university or college and in an improvement zone located in a station's sphere of influence];
3. Matters concerning the development of income sources of residents (limited to residential environment improvement projects);
4. Result of an environmental review (Article 27 (2) of the National Land Planning and Utilization Act shall apply mutatis mutandis hereto);
5. The status and utilization plan of existing trees;
6. Plans to accommodate the population and housing;
7. Plans to invigorate residents' community for the management of residential environment (limited to management-type residential environment improvement projects);
8. Plans to preserve and utilize old paths, old waterways, and historic and cultural resources, including architectural assets and traditional Korean-style houses named Hanok, defined in Article 2 of the Act on Value Enhancement of Hanok and Other Architectural Assets.

(2) Other necessary details of an improvement plan shall be as follows:

1. In principle, no improvement zone shall include existing parks or green areas: Provided, That cases where it is necessary to restore the functions of the parks or green areas, to improve structures therein, or to promote the land use, shall be exceptional;
2. Plans to improve or ameliorate existing structures under Article 8 (3) 5 of the Decree shall be formulated categorizing them into retention, repair, new construction after removal, removal and relocation, etc., taking into consideration the aging years, uses, structures, sizes, locations, existence or nonexistence of permits, and the degree of dilapidation and substandard status of the structures;
3. Sites for religious facilities, and welfare facilities for sale shall be divided into lots if necessary, and shall secure appropriate access roads;
4. The time frames for implementing an improvement project under Article 9 (1) 9 of the Act shall be determined within four years from the date the designation of the improvement zone is publicly notified taking into consideration the preparation period for application for approval of the project implementation plan of each project implementer;
5. In cases of an urban improvement-type redevelopment project, it shall be a principle to formulate a multi-use construction plan to restore the characteristics of the improvement zone and the functions of the downtown area; and where there are any nearby structures, cultural assets or natural features, it shall be formulated to minimize the impact on the surrounding landscape.

Article 9 (Procedures for Safety Inspection and Bearing of Expenses)

(1) "Procedures for requesting a safety inspection and details necessary for the processing thereof" in Article 10 (7) of the Decree shall be as follows:

1. Pursuant to the latter part of Article 10 (1) of the Decree, the head of a Gu may adjust the timing to conduct a safety inspection where the adjustment of the timing of a reconstruction project is deemed necessary;
2. Articles 49 through 51 shall apply mutatis mutandis to the reasons for adjusting the timing of a safety inspection, zones eligible for adjustment, data related to the adjustment of the timing, procedures and methods for adjusting the timing, and other relevant matters. In such cases, "improvement zone" shall be construed as "proposed improvement zone (referring to a proposed project zone where the relevant area is not a proposed improvement zone)"; and "approval of a project implementation plan or approval of a management and disposal plan" shall be construed as "safety inspection";
3. The Mayor of the Seoul Metropolitan Government (hereinafter referred to as the "Mayor") may separately determine detailed criteria necessary for adjustment of timing not prescribed in relevant statutes and/or regulations and this Ordinance.

(2) If a person who falls under any subparagraph of Article 12 (2) of the Act intends to request a safety inspection, he or she shall submit a written request for safety inspection specified Article 3 of the Enforcement Rule of the Act on the Improvement of Urban

Areas and Residential Environments (hereinafter referred to as the "Enforcement Rule") to the head of the competent Gu along with a form shown in the Enforcement Rule; and in such cases, the person requesting a safety inspection shall bear all the expenses required for the safety inspection.

(3) Where the head of the competent Gu determines whether a safety inspection pursuant to Article 10 (1) of the Decree is conducted, and notifies the person who has requested the safety inspection, of such determination, such person shall deposit the expenses required for the safety inspection.

(4) Where a report on findings from a safety inspection is submitted pursuant to Article 13 (1) of the Act, the head of the competent Gu shall directly pay the expenses from the deposited amount and settle the remaining expenses with the person who has requested the safety inspection.

(5) Article 37 of the Special Act on the Safety Control and Maintenance of Establishments shall apply mutatis mutandis to the matters concerning the calculation of expenses under paragraph (2).

Article 10 (Proposals to Formulate Improvement Plans)

(1) When proposing the formulation of an improvement plan to the head of a Gu pursuant to Article 12 (1) of the Decree, in cases falling under Article 14 (1) 1 through 5 of the Act, consents from at least 60 percent of the owners of a plot of land or structure or at least one half of the area of land located in the relevant area shall be obtained.

(2) In cases of a management-type residential environment improvement project, the formulation of an improvement plan may be proposed to the head of the competent Gu after obtaining consents from a majority of the owners of a plot of land or structure, notwithstanding paragraph (1).

(3) When the owners of a plot of land or structure propose to formulate an improvement plan pursuant to Article 14 (1) of the Act, a written application for proposal for formulation specified in the Enforcement Rule to the head of the competent Gu, along with documents on the improvement plan and an explanatory statement of the plan under Article 12 (1) of the Decree, and details surveyed at the time an improvement plan is formulated pursuant to each subparagraph of Article 7, and other necessary documents.

(4) Where an amendment to an improvement plan is requested pursuant to Article 14 (1) 6 of the Act, cases where the amendment is adopted with the affirmative votes of at least 2/3 of the owners of a plot of land or structure at a general meeting (including a general meeting of residents), as well as where written consents to the amendment are obtained directly, shall also be deemed to have obtained consents from at least 2/3 of the owners of a plot of land or structure.

(5) Methods, etc. for counting the number of owners of a plot of land or structure to consent to formulate an improvement plan shall be subject to Article 33 of the Decree.

Article 11 (Minor Modification of Improvement Plan)

(1) "Where any of the matters specified by City/Do municipal ordinance ... is changed" in Article 13 (4) 12 of the Decree means any of the following cases:

1. Change of the name of an improvement zone;
2. Changes in the decisions on an improvement zone to cut off corners of roads pursuant to Article 14 of the Rules on the Determination, Structures, and Installation Standards of Urban or Gun Planning Facilities;
3. Changes in plans to improve and ameliorate existing structures under Article 8 (3) 5 of the Enforcement Decree;
4. Where improvement zones are abutting on each other (including districts where a project is implemented by dividing the district in the same urban improvement-type redevelopment zone), changes in the scopes of improvement zones or districts to adjust their boundaries;
5. Changes for correction of a simple error made in the size of an area, etc. without any change in the scope of an improvement zone or district;
6. A plan for modifying lots of land or for dividing the district where the project is to be implemented in an urban improvement-type redevelopment zone, which does not entail any change in the plan regarding the main uses, building-to-land ratio, floor area ratio and height of each structure referred to in Article 9 (1) 5 of the Act;
7. Changes in the number of households within the range of the construction ratio of rental housing publicly notified by the Minister of Land, Infrastructure and Transport pursuant to Article 10 of the Act;
8. Changes that increase the number of households for which housing is to be constructed by up to 30 percent or decrease it by up to 10 percent, within the scope of the construction plan specified in the improvement plan;
9. Changes in the improvement plan due to amendment to relevant statutes and/or regulations, such as the Building Act, or changes in the construction plan in accordance with the result of deliberation by of a building committee organized pursuant to Article 4 of the Building Act.

(2) Modification of minor matters of an improvement plan that the head of a Gu may handle means any of the following:

1. Modification of less than five percent of the area of an improvement zone, in cases falling under Article 13 (4) 1 of the Decree;
2. Modification of less than five percent of the scale of fundamental infrastructure, in cases falling under Article 13 (4) 2 of the Decree;
3. Cases falling under Article 13 (4) 3 through 6, 10 or 11 of the Decree;

4. Modification to reduce the building-to-land ratio or floor area ratio of structures or to increase such ratio within the range of less than five percent, in cases falling under Article 13 (4) 7 of the Decree;
5. Modification to reduce the maximum height of structures, in cases falling under Article 13 (4) 8 of the Decree;
6. Cases falling under any subparagraph of paragraph (1).

Article 12 (Standards for Determining Amount of Cash Payment and Method of Payment)

- (1) If a project implementer request that he or she make a cash payment for a portion of the value of a site of a public facilities or infrastructure (hereinafter referred to as "public facilities, etc.") pursuant to Article 17 (4) of the Act, the Mayor shall determine the scope thereof taking into comprehensive consideration the requirements for installation prescribed in relevant statutes and/or regulations, demand for the public facilities, etc.
- (2) The relevant donated land for which a cash payment is to be made pursuant to Article 14 (3) of the Decree shall be evaluated taking into consideration the project implementation plan which has obtained approval (referring to the first approval of the project implementation plan including the cash payment).
- (3) A project implementer shall request the head of the competent Gu to select an appraisal business entity and to enter into contract with such entity to determine the amount of cash payment referred to in paragraph (1) and deposit expenses required for the appraisal in advance. After the appraisal is completed, the head of the Gu shall pay the expenses for the appraisal directly from the deposit and settle the remaining expenses with the project implementer.
- (4) The Mayor may allow to make installment payments of the amount of cash payment determined pursuant to paragraph (1) from the commencement date to the completion inspection date.
- (5) A project implementer shall enter into an agreement with the Mayor on such matters as the amount of cash payment determined pursuant to paragraph (1), the payment method and the payment deadline, and other relevant matters before obtaining approval of a management and disposal plan.
- (6) The Mayor may determine other matters necessary for cash payment.

Article 13 (Methods for Subdividing, Consolidating and Combining Improvement Zones)

- (1) Pursuant to Article 18 (1) of the Act, the Mayor may promote the subdivision, consolidation and combination of zones, where necessary for the efficient implementation of an improvement project or for the preservation of urban landscape. In such cases, the Mayor shall designate (or revise a designation of) improvement zones pursuant Articles 8, 15, and 16 of the Act.
- (2) An improvement project (hereinafter referred to as "combined improvement project") implemented by combining separated zones into one improvement zone (hereinafter referred to as "combined improvement zone") pursuant to Article 18 (2) of the Act, shall conform to the following basic direction-settings:
 1. An improvement project may be implemented by combining undeveloped areas requiring the protection of urban landscape, cultural assets, etc. with an area of a station's sphere of influence where the high-intensity use of land is possible;
 2. To protect urban landscape, cultural assets, etc., the floor area ratio of an area where the use of land is restricted (hereinafter referred to as "low-density management zone") shall be transferred to an area where the high-intensity use of land is possible (hereinafter referred to as "high-density development zone") to develop the relevant area;
 3. Improvement plans, including a land use plan, plans on the density and heights of structures, and plans for fundamental infrastructure, shall be formulated taking regional characteristics into consideration.
- (3) If it is intended to implement a combined improvement project by designating a combined improvement zone, the methods and procedures for the implementation shall be as specified in attached Table 2.
- (4) Paragraphs (1) through (3) shall also apply mutatis mutandis to urban renewal acceleration projects defined in the Urban Renewal Act.

Article 14 (Ex Officio Cancellation of Improvement Zones)

- (1) Where the Mayor intends to cancel the designation of an improvement zone or a proposed maintenance zone (hereinafter referred to as "improvement zone, etc.") pursuant to Article 21 (1) 1 or 2 of the Act, the residents' opinions, feasibility, implementation status, degree of conflicts of residents and process delay relating to the project, necessity to preserve the historical and cultural value of the region, etc., shall be comprehensively taken into consideration.
- (2) "Where implementing an improvement project will impose excessive burdens on the owners of a plot of land or structure" in Article 21 (1) 1 of the Act means cases where the estimated proportion (referring to a normal value) calculated based on the improvement plan, etc. inputted by the chairperson of the promoters' committee (hereinafter referred to as the "chairperson of the promoters' committee"), executive officer of the association or a trust business entity pursuant to Article 80 is less than 80 percent and, and the result of a survey of opinions conducted pursuant to paragraph (6) indicates that the number of project consenters is less than 50 percent.
- (3) "Where the objectives of designating an improvement zone are deemed unattainable in light of the progress of promoting the improvement zone" means any of the following cases:
 1. In any of the following cases, as a proposed improvement zone:
 - (a) Where the requirements for designation of an improvement zone are not met;

- (b) Where it is impractical to designate an improvement zone due to the cancellation of restrictions on activities or the expiration of the term by relevant statutes and/or regulations;
2. Where it is deemed impractical to promote an improvement project, including cases where the chairperson of the promoters' committee or the president of the association is unable to perform his or her duties for a long period due to any extenuating circumstance or the operation of the promoters' committee or the association is virtually suspended due to conflicts of residents or lack of the improvement project costs;
3. Where a zone including a natural scenic district, maximum height limited district, cultural heritage protection zone, and preservation areas of the historic and cultural environment, falls under any of the following items:
- (a) Where a promoters' committee fails to file an application (limited to an application filed with all the accompanying documents) for authorization to establish an association that complies with all the provisions of Article 35 of the Act, Article 30 of the Decree, and Article 8 of the Enforcement Rule, during a period from the date of approval of the promoters' committee (referring to the date it is approved for the first time) under Article 31 of the Act, to the date of the third anniversary thereof;
- (b) Where a project implementer fails to file an application (limited to an application filed with all the accompanying documents) for approval of a project implementation plan that complies with all the provisions of Article 50 of the Act and Article 10 of the Enforcement Rule, during a period from the date the authorization to establish an association (referring to the date it is authorized for the first time) is obtained under Article 35 of the Act or the date the designation of a project implementer under Article 26 (2) or 27 (2) of the Act is obtained or the date it is agreed to jointly implement an improvement project under Article 25 of the Act, to the date of the fourth anniversary thereof;
- (c) Where a project implementer fails to file an application (limited to an application filed with all the accompanying documents) for approval of a management and disposal plan that complies with all the provisions of Article 74 of the Act and Article 12 of the Enforcement Rule, during a period from the date the approval (referring to the date it is approved for the first time) of a project implementation plan is obtained under Article 50 of the Act, to the date of the fourth anniversary thereof;
- (d) Where a promoters' committee or an association fails to hold a general meeting for at least two years (limited to cases where the quorum for voting is met under the Act or the regulations on the operation of the committee promoting to establish an association for an improvement project);
4. Where the head of the competent Gu fails to request the cancellation of the improvement zone, etc. as prescribed in Article 20 (2) of the Act;
5. Where the Urban Planning Committee deems it necessary to preserve the historical and cultural values of the relevant zone and its neighborhood due to changes in conditions after designating the zone.
- (4) In cases falling under paragraph (2) or any subparagraph of paragraph (3), the head of the competent Gu may request the Mayor to cancel the improvement zone, etc.
- (5) Where the Mayor intends to cancel an improvement zone, etc., he or she shall notify the head of the competent Gu of the name and location of the relevant zone, reasons for the cancellation, the grounds therefor, etc. In such cases, the head of the Gu shall make them available to the residents for inspection to hear their opinions for at least 30 days pursuant to Article 21 (2) of the Act, and shall thereafter hear the opinion of the Gu council and submit such opinions to the Mayor.
- (6) When the head of a Gu is notified by the Mayor that an improvement zone, etc. falls under paragraph (2), the head of the Gu shall survey opinions of the owners of a plot of land or structure in the relevant improvement zone, etc. and notify the Mayor of the result thereof: Provided, That, the head of the Gu may conduct a resurvey thereof if the estimated proportion of the zone where the survey of residents' opinions was conducted in a case falling under paragraph (2) decreases by at least 10 percent compared to that as at the time of the survey of residents' opinions.
- (7) Article 33 of the Decree shall apply mutatis mutandis to the method of calculating the number of project consenters among the owners of a plot of land or structure under paragraph (6), the methods for withdrawing consent to cancellation, etc.
- (8) The Mayor may subsidize all or part of the expenses incurred when the head of a Gu conducts a survey of the opinions of the owners of a plot of land or structure.
- (9) The Mayor may separately determine other matters concerning procedures, methods, etc. for surveying opinions of the owners of a plot of land or structure.
- (10) Where the Mayor intends to cancel ex officio an improvement zone, etc., he or she may hear the opinion of the competent standing committee of the Seoul Metropolitan Council before undergoing deliberation by the Urban Planning Committee.

Article 15 (Rates and Methods of Subsidization of Expenses Used by Promoters' Committee and Association)

- (1) "Expenses specified by City/Do municipal ordinance" in Article 17 (1) 4 of the Decree means the expenses used by a promoters' committee and an association after obtaining approval of the promoters' committee and authorization to establish the association, which are used within the budget determined by a resolution of a general meeting (including a general meeting of residents) to perform the following affairs:
1. Affairs set forth in the subparagraphs of Article 32 (1) and subparagraphs of Article 45 (1) of the Act;
 2. Affairs set forth in the subparagraphs of Article 26 and subparagraphs of Article 42 (1) of the Decree;
 3. Expenses used within the budget determined by a resolution of the promoters' committee approved pursuant to Article 31 of the

Act, where no general meeting of residents could be held due to a court judgement or decision;

4. Affairs determined by the representatives' meeting on behalf of the power of a general meeting, among the matters to be decided by a general meeting (excluding the matters for which the representatives' meeting under Article 43 of the Decree is not permitted to act for a general meeting).

(2) The amount to be subsidized for the expenses used by a promoters' committee and an association (hereinafter referred to as "subsidy") shall be determined after a verification committee completes verification under Article 16, and the Mayor may determine the standards necessary for the verification committee to verify the expenses.

(3) The Mayor or the head of a Gu may grant a subsidy in accordance with the following ratio, based on the amount determined after a verification committee completes verification under Article 16 or a re-verification committee completes verification under Article 17:

1. Where approval of a promoters' committee or authorization to establish an association is cancelled due to the cancellation of an improvement zone, etc. under Article 21 (1) of the Act for a reason falling under Article 14 (2) or (3) 1 through 3: Not exceeding 70 percent;

2. Where approval of a promoters' committee or authorization to establish an association is cancelled due to the cancellation of an improvement zone, etc. under Article 21 (1) of the Act for a reason falling under Article 14 (3) 5: Within the range of the verified amount.

(4) An application for a subsidy for a promoters' committee shall be filed with the head of the competent Gu by the representative of the promoters' committee, the approval of which is cancelled, within six months from the date of public notification that the approval of the promoters' committee is cancelled, by submitting a written application for the subsidization of expenses used by the promoters' committee in attached Form 1 along with the following documents:

1. Detailed statements and material proofs by business item for which the expenses are used by the promoters' committee;

2. Status of interested persons who have used expenses of the promoters' committee (it shall mandatorily contain creditors' names, contact information, etc.) and material proofs;

3. Resolutions and minutes related to the application for subsidization of expenses used by the promoters' committee (including information on its representative, payment bankbook account number, and status of creditors).

(5) An application for a subsidy for an association shall be filed with the head of the competent Gu by the representative of the association, the authorization of the establishment of which is cancelled, within six months from the date of public notification that authorization to establish the association is cancelled, by submitting a written application for the subsidization of expenses used by the association in attached Form 2 along with the following documents,:

1. Detailed statements and material proofs by business item for which the expenses are used by the association;

2. Status of interested persons who have used expenses of the association (it shall mandatorily contain creditors' names, contact information, etc.) and material proofs;

3. Resolutions and minutes related to the application for the subsidization of expenses used by the association (including information on its representative, payment bankbook account number, and status of creditors).

(6) The head of the Gu in receipt of an application pursuant to paragraph (4) or (5), shall publicly announce the details of the application (excluding matters set forth in paragraph (4) 3 and (5) 3) on the clean-up system referred to in Article 69 (1) 1 (hereinafter referred to as the "clean-up system") and the public gazette of the Gu, and shall notify the promoters' committee or persons interested in the expenses used by the promoters' committee or the association (hereinafter referred to as "interested persons"), of such details.

(7) Upon completing the public announcement and written notification pursuant to paragraph (6), the head of the Gu shall determine a subsidy after the verification committee completes verification and notify the representative and members of the dissolved promoters' committee, or the executive officers of the association, and interested persons of such determination in writing. In such cases, the representative may file an application for an objection within 20 days from the date the notice of determination on the subsidy is received, and the head of the Gu shall notify the result thereof after a re-verification committee completes verification under Article 17, if there is a justifiable reason.

(8) The representative shall file an application for the payment of a subsidy with the head of the competent Gu, along with a copy of the bankbook showing matters referred to in paragraph (4) 3 or paragraph 5 (3), within 20 days from the date the determination on the subsidy is received pursuant to paragraph (7). In such cases, the head of the Gu shall notify the Mayor of the details of the application.

(9) The head of the Gu in receipt of an application for the payment of a subsidy under paragraph (8), shall publicly announce the payment schedule such as the payment date on the clean-up system and the Official Gazette of the Gu, and shall deposit the subsidy in the bank account number submitted, on or after 10th days from the date of the public announcement completed.

(10) Where the head of a Gu subsidizes expenses used by a promoters' committee or association under Article 17 of the Decree, the Mayor may grant all or part of a subsidy to the head of the Gu, notwithstanding Article 8 of the Seoul Metropolitan Government Ordinance on the Management of Local Subsidies.

Article 16 (Organization and Operation of Committee for Verification of Expenses Used)

- (1) The head of a Gu may organize and operate a committee for verification of expenses used (hereinafter referred to as the "verification committee") to verify the expenses used by promoters' committees and associations.
- (2) The verification committee shall be comprised of not more than 15 members, including the deputy head of the Gu who shall be the chairperson; and the members shall be appointed or commissioned by the head of the Gu, from among the following persons: Provided, That at least one person for each field under subparagraph 1 shall be commissioned, and the number of persons falling under subparagraph 2 shall be at least two thirds of the number of all the members:
 1. Attorneys-at-law and certified public accountants with substantial knowledge and experience in improvement projects;
 2. Experts, such as professional engineers in the field of urban planning, certified architects, certified public appraisers, and certified tax accountants, with substantial knowledge and experience in improvement projects, and public officials of Grade V or higher engaged in the affairs related to improvement projects.
- (3) When organizing the verification committee under paragraph (2), the head of the relevant Gu shall take gender into account, but shall ensure that the number of members of a specific gender does not exceed 6/10 of the number of members commissioned pursuant to Article 21 (2) of the Framework Act on Gender Equality: Provided, That this shall not apply where the relevant gender equality working committee adopts a resolution on the number of members of a specific gender otherwise, as it is deemed that any extenuating circumstance exists, such as lack of professional personnel of a specific gender in the relevant field.
- (4) For efficient and fair verification, the chairperson may allow a person who intends to obtain a subsidy for used expenses and any other interested person to attend a meeting of the verification committee and then explain about the operation status of the relevant promoters' committee and association, fund-raising and expenditure of funds, etc. or submit related data; and may have any member conduct a field investigation or may hear opinions of the relevant experts at a meeting of the verification committee.
- (5) The material proofs to be submitted to the verification committee shall include contracts, receipts recognized by the National Tax Service, data submitted to the National Tax Service for declaration of income. etc.
- (6) Allowances, travel expenses, etc. shall be paid to the members of the verification committee within the budget: Provided, That travel expenses, etc. for field investigation or verification of the present situation may be paid at cost.

Article 17 (Organization and Operation of Committee for Re-Verification of Expensed Used)

- (1) Where an application for an objection is filed pursuant to the latter part of Article 15 (7), the head of the competent Gu may organize and operate a committee for re-verification of expenses used (hereinafter referred to as the "re-verification committee") to re-verify the relevant matter.
- (2) The re-verification committee shall be comprised of not more than 10 members, including the deputy head of the Gu who shall be the chairperson; and the members shall be appointed or commissioned by the head of the Gu, from among the persons falling under the following subparagraphs, as persons (excluding public officials) other than members of the verification committee: Provided, That at least one person for each field under subparagraph 1 shall be commissioned; and the number of persons falling under subparagraph 2 shall be at least two-thirds of the number of all the members; and Article 16 (3) shall apply mutatis mutandis to the organization of the re-verification committee. In such cases, "verification committee" shall be construed as "re-verification committee":
 1. Attorneys-at-law and certified public accountants with substantial knowledge and experience in improvement projects;
 2. Experts, such as professional engineers in the field of urban planning, certified architects, certified public appraisers, and certified tax accountants, with substantial knowledge and experience in improvement projects, and public officials of Grade V or higher engaged in the affairs related to improvement projects.
- (3) Other matters concerning the operation of the re-verification committee shall be subject to the application mutatis mutandis of the regulations on the operation of the verification committee.

Article 18 (Exclusion of, Challenge to, and Refrainment by Member)

- (1) Any member of a verification committee or re-verification committee who falls under any of the following subparagraphs shall be excluded from deliberation and a resolution on the relevant agenda:
 1. Where the member, or a his or her current or former spouse, becomes a party to the relevant agenda or is holding any right or duty jointly with the party to such agenda;
 2. Where the member is a current or former relative of a party to the relevant agenda;
 3. Where the member is a current or former agent of a party to the relevant agenda;
 4. Where the member has conducted any appraisal, provided any service (including any subcontract) or advice, or conducted any investigation, etc. with respect to the relevant agenda.
- (2) A member shall, if falling under any cause for exclusion referred to in the subparagraphs of paragraph (1), voluntarily refrain from deliberation and a resolution on the relevant agenda.
- (3) If any ground exists for which it would be impractical to expect any member to impartially perform his or her duties, a party to the relevant agenda may file a request to challenge him/her with the relevant committee, and the relevant committee shall adopt its resolution on whether the challenge is accepted. In such cases. a member subject to a request for such challenge shall not participate in such resolution.

CHAPTER III IMPLEMENTATION OF IMPROVEMENT PROJECTS

Article 19 (Documents to Be Submitted to Apply for Authorization to Establish Association)

CHAPTER III IMPLEMENTATION OF IMPROVEMENT PROJECTS"Other documents prescribed by City/Do municipal ordinance" in subparagraph 1 (h) in the column "Documents to be submitted by applicant" specified in attached Form 5 under Article 8 (1) of the Enforcement Rule, means the following documents:

1. Location maps and photographs showing the current status of the improvement zone;
2. Cadastral maps showing land and structures in the improvement zone;
3. A list of persons on whom a request for sale is to be made in a case falling under Article 64 (1) 1 of the Act, and a plan for requesting the sale (limited to reconstruction projects).

Article 20 (Method of Preparing Documents to Be Submitted to Apply for Authorization to Establish Association)

(1) The method of preparing an application for authorization (amended authorization) to establish an association in attached Form 5 of the Enforcement Rule and the methods of preparing documents to be submitted shall be as follows:

1. In principle, the main office shall be in the jurisdictional area of the autonomous Gu where the project implementation zone is located;
2. The name and area of the proposed project implementation zone shall be prepared the same as those specified in the improvement plan under Article 9 of the Act;
3. The number of members shall be based on the number of persons in the list of members of the association attached to the application;
4. In principle, the articles of association shall be prepared taking advantage of the standard-form articles of association referred to in Article 40 (2) of the Act;
5. The list of association members shall include the serial number of each member, the address, the name and the details of the rights of each consenter, and shall be accompanied by an all-inclusive table which makes it possible to verify the ratio of the consent;
6. A written consent of the owners of a plot of land or structure to establish an association refers to a written consent to establish an association in attached Form 6 under Article 8 (3) of the Enforcement Rule;
7. Documents to prove the selection of executive officers shall be submitted including a written recommendation of the representative of the owners of a plot of land or structure, or the minutes of a general meeting (including the inaugural general meeting), etc.

(2) Paragraph (1) 1 through 3, 5 and 7 shall apply mutatis mutandis to the preparation of a written application for approval of a promoters' committee under Article 7 of the Enforcement Rule. In such cases, "executive officers" in subparagraph 7 shall be construed as "members".

Article 21 (Modification of Minor Matters in Authorization to Establish Association)

"Other matters specified by City/Do municipal ordinance" in Article 31 (9) of the Decree means the following:

1. Matters requiring simple arrangement in accordance with amendments made to statutes and/or regulations, municipal ordinances, etc.;
2. Matters to be modified in accordance with the modification of the approval of the project implementation plan or of the approval of the management and disposal plan;
3. Matters to be modified due to the additional joining in the association of persons on whom a request for sale is to be made;
4. Other matters prescribed by municipal rules.

Article 22 (Mandatory Provisions of Articles of Association)

"Other matters specified by City/Do municipal ordinance" in subparagraph 17 of Article 38 of the Decree means the following:

1. Matters concerning the operation of the board of directors, including forming and convening the board of directors, and the administrative affairs of and method of adopting resolutions by the board of directors;
2. Matters concerning the qualification of the owners of specific unlicensed structures to become members of the association;
3. Matters concerning the selection of the representatives of owners of an undivided share;
4. Matters concerning granting the purchase right to a person who has acquired a house converted into multi-household housing after completion of the construction of a detached house or multi-unit house;
5. Matters concerning the special supply of housing units to persons selected by the head of a Gu, from among those who own houses to be removed due to an urban planning project implemented in an urban renewal acceleration district;
6. Matters concerning the repayment of a loan;
7. Matters concerning the succession of debts, where the president, etc. of the association who has provided collateral, etc. as at the time of filing an application for a loan, is replaced;
8. Safety measures and matters to be reported when if any unoccupied house comes into existence in the improvement zone.

Article 23 (Modification of Minor Matters of Articles of Association)

"Other matters specified by City/Do municipal ordinance" in subparagraph 12 of Article 39 of the Decree means the matters set forth in subparagraph 1 of Article 22, which shall not be burdened by the execution of the budget or by association members.

Article 24 (Selection of Special Administrator of Association and Procedures Therefor)

(1) Where the head of a Gu intends to select a special administrator of an association through open invitation pursuant to Article 41 (2) of the Decree, he/she shall publicly announce the matters that applicants should know, such as qualification requirements for the application and procedures for selection, in a daily newspaper published in the relevant region, and shall publicly announce such matters through the website of the autonomous Gu, clean-up system, etc. for at least 10 days.

(2) In any of the following cases, the head of a Gu may make a public announcement referred to in paragraph (1) again for a period not exceeding seven days:

1. Where there is no applicant despite the public announcement made under paragraph (1);
 2. Where the selection committee referred to in paragraph (3) determines that there is no qualified person among the applicants.
- (3) The head of a Gu may organize and operate a selection committee, where necessary to select a special administrator of an association.

(4) A selection committee shall be comprised of at least five persons, including one chairperson, from among the following persons; the chairperson shall be elected by and from among the experts referred to in subparagraph 2; and Article 16 (3) shall apply mutatis mutandis to the organization of a selection committee. In such cases, "verification committee" shall be construed as "selection committee":

1. Public officials of Grade VI or higher engaged in affairs related to improvement projects;
2. Experts in the field of improvement projects, who fall under the subparagraphs of Article 41 (1) of the Decree.

(5) Article 18 shall apply mutatis mutandis to matters concerning the exclusion of, challenge to, and refrainment by, members of members of the selection committee. In such cases, "validation committee and re-verification committee" shall be construed as "selection committee".

(6) Where a special administrator of an association is selected, the head of the Gu shall notify the relevant association or the promoters' committee and the members thereof, and the owners of a plot of land or structure, of the result of selection.

(7) The Mayor may determine and publicly notify the criteria for selecting a special administrator of an association.

Article 25 (Minor Modification of Approval of Project Implementation Plan)

"Other matters specified by City/Do municipal ordinance" in subparagraph 12 of Article 46 of the Decree means any of the following:

1. Matters falling under subparagraph 1 of Article 31 of the Decree and subparagraph 1 of Article 21 of this Ordinance among the provisions of implementation rules referred to in Article 53 of the Act;
2. The representative of the project implementer referred to in Article 47 (2) 3 of the Decree;
3. Persons holding rights in a plot of land, a structure, etc. referred to in Article 47 (2) 8 of the Decree, and a detailed statement of their rights.

Article 26 (Formulation of Project Implementation Plan)

(1) "Matters specified by City/Do municipal ordinance" in Article 52 (1) 13 of the Act, pursuant to Article 47 (2) of the Decree, means the matters specified in the subparagraphs of Article 47 (2) of the Decree. In such case, the demolition plan for existing houses shall include matters concerning the management of unoccupied houses, such as houses and commercial facilities, measures to prevent scattering dust, noise, vibration, etc., and measures for safety management around the construction sites.

(2) Necessary forms, etc. in relation to the preparation of the project implementation plan under paragraph (1) may be prescribed by municipal rules.

Article 27 (Plans to Build Rental Housing Units)

(1) A project implementer shall include plans to secure sites for rental housing units and to develop building sites in a plan to build rental housing units under Article 52 (1) 6 of the Act, and shall apply for an approval of the project implementation plan, appending a list of prospective residents of the rental housing units.

(2) Where any measures for tenants are necessary at the time an urban improvement-type redevelopment project is implemented, the measures for tenants shall be prepared according to the following standards:

1. When the head of a Gu approves a project implementation plan for an improvement zone or district where there is any tenant who wants to purchase a commercial facility or multi-family housing unit, as a structure newly constructed by the relevant improvement project, he or she may arrange to sell a reserved area referred to in Article 44 to such tenant falling under Article 46 (1) 1 (hereinafter referred to as "qualified tenant") taking precedence over a third party;
2. Where there is any qualified tenant referred to in subparagraph 1, Article 46 shall apply mutatis mutandis to the qualification requirements for such tenant;
3. Where it is specified in the content of the approval of the project implementation plan to sell a reserved area referred to in Article 44 to a qualified tenant taking precedence over a third party, the project implementer shall include such details in the content of public announcement of the sale made under Article 72 (1) of the Act.

Article 28 (Construction of Rental Housing)

- (1) A project implementer may construct rental housing and then dispose of it to the Mayor or may designate the Seoul Housing and Communities Corporation (hereinafter referred to as the "Corporation") as an implementer to construct rental housing.
- (2) The head of a Gu shall consult the following matters with the Corporation, regarding the construction plan of rental housing to be constructed by a project implementer pursuant to paragraph (1):
1. Construction plan of rental housing to be built in the improvement zone;
 2. List of prospective residents of rental housing units;
 3. Construction cost of rental housing and protocol of incorporated land.
- (3) Where the Corporation constructs rental housing pursuant to paragraph (1), it shall report the following matters to the Mayor:
1. Scale of construction and construction plan of rental housing in the improvement zone;
 2. Construction cost of renting housing and protocol of incorporated land;
 3. Status of occupancy in rental housing units in the neighborhood.

Article 29 (Matters to Be Specified in Implementation Rules)

- "Other matters specified by City/Do municipal ordinance" in subparagraph 12 of Article 53 (12) of the Act means the following:
1. Matters concerning the demolition of structures;
 2. Matters concerning the relocation of residents;
 3. Matters concerning the compensation of land and structures;
 4. Matters concerning the supply of housing units.

Article 30 (Ratio of Construction of Small Housing Units)

- (1) "Percent specified by City/Do municipal ordinance" in Article 54 (4) 1 and 2 of the Act means 50/100 of the floor area ratio calculated by deducting the floor area ratio specified by the improvement plan from the statutory maximum floor area ratio.
- (2) Matters concerning the qualification of tenants of long-term public rental housing acquired pursuant to Article 55 (4) of the Act and the selection of residents may be specified by the Seoul Metropolitan Government Enforcement Rule of the Ordinance on Construction, Supply, etc. of Public Housing.

Article 31 (Deposit of Improvement Project Cost by Qualified Developers)

- (1) The amount to be deposited by a qualified developer of a redevelopment project pursuant to Article 60 (1) of the Act (limited to cases where the qualified developer is the owner of a plot of land or structure), shall be 10/100 of the improvement project cost specified in the written approval of the project implementation plan.
- (2) The head of the competent Gu shall notify a qualified developer to pay the deposit referred to in paragraph (1).
- (3) A qualified developer in receipt of a payment notice of the deposit under paragraph (2) may deposit the amount in cash in the treasury of the relevant Gu or submit it by any of the following guarantees, etc.:
1. A guarantee insurance policy issued by an insurance company under the Insurance Business Act;
 2. A national bond or local bond issued by the state or a local government;
 3. A guarantee issued by the Korea Housing and Urban Guarantee Corporation established under Article 16 of the Housing and Urban Fund Act;
 4. A guarantee issued by a mutual-aid association established under Article 54 of the Framework Act on the Construction Industry.

Article 32 (Procedures for Filing Applications to Purchase Building Site or Unit)

- (1) "Other matters specified by City/Do municipal ordinance" in Article 59 (1) 9 of the Decree means the following:
1. Information on re-announcement of building sites or units for sale under Article 72 (4) of the Act;
 2. Details of the sale and disposition of reserved areas under Article 44 (2).
- (2) "Other matters specified by City/Do municipal ordinance" in Article 59 (2) 3 of the Decree means the following:
1. A notice on filing an application to purchase a building site or unit;
 2. Scheduled dates of demolition and relocation.
- (3) A person who intends to file an application to purchase a building site or unit pursuant to Article 72 (3) of the Act shall append the following documents to a written application for the purchase:
1. Details of ownership of the former land or structures;
 2. Documents substantiating the right to apply for the purchase;
 3. Documents substantiating qualification where the articles of association, etc. under Article 2 (11) of the Act or under this Ordinance separately specify such qualification requirements to purchase a building site or unit;
 4. A written opinion on the object and size that the person wants to purchase within the scope of the standards specified in the management and disposal plan, among the land or structures proposed to sell.

Article 33 (Contents of Management and Disposal Plan)

- "Other matters specified by City/Do municipal ordinance" in subparagraph 6 of Article 62 of the Decree means the following:
1. A plan for building sites and units for sale referred to in Article 74 (1) 1 of the Act includes the following:

- (a) A protocol and drawings of goods subject to the management and disposal plan;
 - (b) Details and value of the site of the rental housing, disposal methods thereof, a list of tenants eligible to move into rental housing units (limited to an improvement zone where rental housing is to be constructed);
 - (c) Drawings of designated areas for land substitution;
 - (d) The cadaster of the former land or drawings of the former forest land;
2. A copy of the resolution adopted at a general meeting on the management and disposal plan pursuant to Article 45 (1) 10 of the Act, and a copy of the application to purchase a building site or unit (including details of reporting of rights) under Article 72 (1) of the Act;
 3. The progress of consultation held between the owners of a plot of land or structure and tenants, including the result of operating a consultative body under Article 67 or the result of mediation conducted by an urban disputes mediation committee under Article 116 or 117 of the Act, at the time of preparing details of each tenant's rights and the appraised value thereof for compensating the tenant's loss pursuant to Article 74 (1) 8 of the Act, and details of the right of each owner of a plot of land or structure to be paid in cash pursuant to subparagraph 1 of Article 62 of the Decree and methods for the settlement thereof;
 4. Documents relating to the agreement, including appraisal reports to determine the amount to be paid in cash pursuant to Article 14 (3) of the Decree and Article 12 (3) of the Ordinance, and payment methods and deadlines for payment for such amount;
 5. Other documents substantiating the contents of the management and disposal plan.

Article 34 (Standards for Formulating Management and Disposal Plans)

A management and disposal plan of an improvement project under Article 74 (1) of the Act shall be formulated to meet the following standards:

1. The area of the formerly owned land shall be based on the cadastral record (in the case of changing the method of implementing the project, referring to a certificate of the land reserved for replotting) of each land owned under subparagraph 19 of Article 2 of the Act on the Establishment and Management of Spatial Data, as at the base date of the management and disposal plan: Provided, That where one parcel of land is co-owned by several persons, it shall be based on their shares specified in the register of real estate (in cases of the change of method of implementing the project, referring to a certificate of the land reserved for replotting);
2. Preemptive rights to occupation of State land and public land shall be recognized as prescribed by relevant statutes and/or regulations, articles of association, etc. according to the results of cadastral survey conducted based on their boundaries;
3. The areas of the formerly owned buildings shall be based on the building register of each building owned as at the base date of the management and disposal plan, excluding the area of the part built in violation of relevant statutes and/or regulations: Provided, That, if the articles of association specify otherwise, it may be based on the property tax taxation ledger or survey results;
4. The ownership of the former land, etc. shall be as specified in the register of real estates (in cases of the change of the method of implementing the project, referring to a certificate of the land reserved for replotting) as of the base date the management and disposal plan, and the acquisition date of the ownership shall be based on the date of receipt of the application for registration specified in the register of real estates: Provided, That in cases of specific unlicensed structures (including structures unapproved for use), the ownership shall be based on the certificate of existing unlicensed structures issued by the head of the competent Gu or Dong or any other material substantiating the ownership of the relevant person;
5. A person holding preemptive rights to occupation of State land or public land shall be based on the preemptive rights to occupation recognized pursuant to subparagraph 2;
6. Article 74 (2) 1 of the Act shall apply mutatis mutandis to the appraisal and assessment of State and public property among the sites defined in Article 2 (1) 1 of the Building Act, and shall be appraised pursuant to Article 98 (5) and (6) of the Act.

Article 35 (Criteria for Selection of Appraisal Business Entities)

The criteria, procedures and methods for selecting appraisal business entities by the head of a Gu under Article 74 (2) 2 of the Act shall be as follows:

1. The head of a Gu shall receive applications from appraisal business entities authorized under Article 29 of the Act on Appraisal and Certified Appraisers (hereinafter referred to as the "Appraisal Act") among the appraisal business entities defined in subparagraph 4 of Article 2 of the same Act, and shall select appraisal business entities after evaluating the following items; and the detailed criteria for evaluation shall be as specified in attached Table 3:
 - (a) Performance record of each appraisal business entity;
 - (b) Number of appraisers in each appraisal business entity;
 - (c) Degree of participation in existing appraisals;
 - (d) Compliance with law;
 - (e) Appropriateness of appraisal fees;
 - (f) Appropriateness of the appraisal plan;
2. Any of the following appraisal business entities shall be excluded from the selection:
 - (a) An appraisal business entity for which six months have not passed from the date the period of validity of a disposition for suspension from duties pursuant to Article 32 of the Appraisal Act expires;

(b) An appraisal business entity for which six months have not passed from the date a disposition of the imposition of a penalty surcharge under Article 41 (1) of the Appraisal Act or a disposition for the imposition of an administrative fine under Article 52 of the same Act is received;

(c) A person for whom one year has not passed since he or she was sentenced to a fine or a heavier punishment under Article 95 of the Act on Acquisition of and Compensation for Land for Public Works Projects or Article 49 or 50 of the Appraisal Act.

Article 36 (Eligible Purchasers of Housing Units Built by Redevelopment Projects)

(1) Pursuant to Article 63 (1) 3 of the Decree, the eligible purchasers of multi-family housing units to be built by implementing a redevelopment project shall be the owners of a plot of land or structure who fall under any of the following subparagraphs, as at the base date of the management and disposal plan:

1. A person who owns a house (including a structure specified by the articles of association, etc. of the association among specific unlicensed structures used for residential purpose) among the former structures;
2. An applicant for purchase of a building site or unit for whom the total area of the former land owned by the applicant is at least 90 square meters;
3. An applicant for purchase of a building site or unit for whom the value of rights held by the applicant is at least the estimated price of one minimum-size multi-family housing unit for sale: Provided, That, where applicants for the purchase of a building site or unit form the same household, the value of rights may be calculated by aggregating the values of the whole members of the household;
4. A person for whom a replotted lot of land is designated in accordance with the project method applicable before the change of the method of implementing the project. In such cases, paragraph 1 through 3 may not apply;
5. A person who has been compensated for a former house (including a structure actually used for residential purpose), where the infrastructure is planned to be installed according to an urban renewal acceleration plan under Article 11 (4) of the Urban Renewal Act.

(2) Notwithstanding paragraph (1), several applicants for purchase of a building site or unit shall be deemed one eligible purchaser, in any of the following cases:

1. Where a detached house or multi-unit house is converted into a multi-household house after the base date of computing rights;
2. Where several applicants for purchase of a building site or unit belong to one household pursuant to Article 39 (1) 2 of the Act;
3. Where several persons co-own one house or one parcel of land: Provided, That cases where the share of land co-owned since before the base date of computing rights falls under paragraph (1) 2 or where the value of rights falls under paragraph (1) 3 shall be exceptional;
4. Where one parcel of land is divided into several lots after the base date of computing rights;
5. Where a parcel of land and a house which belong to the range of one site owned by the same person are divided into the land and the structure for separate ownerships after completing the construction of the structure: Provided, That cases where the area of land owned since before the base date of computing rights is at least 90 square meters shall be exceptional;
6. Where, after the base date of computing rights, constructing new structures in a vacant lot or constructing multi-household houses or any other multi-family housing after existing structures, leads to an increase in the number of owners of a plot of land or structure.

(3) In calculating the total area of the former land under paragraph (1) 2 and the value of rights under paragraph (1) 3, none of the following land shall be included therein:

1. Where any land belonging to the range of one site defined in Article 2 (1) 1 of the Building Act consists of several parcels of land, the land acquired as part of such land or acquired by co-ownership after the base date of computing rights;
2. Where one structure occupies land belonging to the range of one site, the land acquired separately from such structure after the base date of computing rights;
3. Land acquired by dividing one lot of land or by co-ownership after the base date of computing right.

(4) Notwithstanding paragraphs (1) through (3), all persons for whom replotted lots of land are designated may become eligible purchasers respectively, regardless of the size of the area of the replotted land or regardless of jointly-replotted land.

Article 37 (Eligible Purchasers of Housing Units Built by Detached Houses Reconstruction Projects)

(1) Each eligible purchaser of a multi-family housing unit to be built by a detached houses reconstruction project (referring to the project referred to in Article 6 of the partially amended Enforcement Decree of the Act on the Improvement of Urban Areas and Residential Environments (Presidential Decree No. 24007); hereinafter the same shall apply) shall, as at the base date of the management and disposal plan, be the owner of a plot of land or structure, as any of the following persons:

1. A person who owns a house among the former structures and land appurtenant to the house;
2. An applicant for purchase of a building site or unit for whom the value of rights held by the applicant is at least the estimated price of one minimum-size multi-family housing unit for sale: Provided, That the value of rights where applicants for the purchase of a building site or unit form the same household may be calculated by aggregating the value of rights of the whole members of the household.

(2) Notwithstanding paragraph (1), several applicants for purchase of a building site or unit shall be deemed one eligible purchaser,

in any of the following cases:

1. Where a detached house or multi-unit house is converted into a multi-household house after the base date of computing rights;
2. Where several applicants for purchase of a building site or unit belong to one household pursuant to Article 39 (1) 2 of the Act;
3. Where several persons co-own one house or land appurtenant to the house;
4. Where, after the base date of computing rights, constructing new structures in a vacant lot, or constructing multi-household houses or any other multi-family housing after demolishing existing structures, leads to an increase in the number of the owners of a plot of land or structure.

Article 38 (Standards for Supplying Housing Units, Appurtenant Facilities and Welfare Facilities)

(1) The standards for supplying housing units by a residential environment improvement project, a redevelopment project, and a detached houses reconstruction project implemented by the method set forth in Article 23 (1) 4 of the Act, pursuant to Article 63 (1) 7 of the Decree, shall be as follows:

1. A housing unit built for sale shall be supplied, based on the value of the housing unit built for sale corresponding to the value of rights. In such cases, if the value of right falls between the values of two housing units for sale, a housing unit built for sale shall be based on the application of the person eligible to purchase;
2. Notwithstanding subparagraph 1, the housing units may be sold in the order of the highest value of rights if the articles of association incorporation, etc. prescribe as such;
3. In cases of supplying two housing units pursuant to Article 76 (1) 7 (c) of the Act, housing units not exceeding 60 square meters may be supplied in the order of the highest value of rights remaining after excluding the value of one housing unit built for sale based on the application of an eligible purchaser from the value of rights;
4. If there is competition in purchasing same-size housing units, the housing units shall be sold in the order of the highest value of rights; and if the values of rights are the same, the housing units shall be sold by public lottery; and the tower, floor, and unit number representing a housing unit shall be determined by public lottery.

(2) Pursuant to Article 63 (1) 7 of the Decree, appurtenant facilities and welfare facilities, including commercial facilities, to be constructed by a residential environment improvement project and a redevelopment project implemented by the method referred to in Article 23 (1) 4 of the Act, shall be supplied based on the following priority order. In such cases, if there is competition in purchasing appurtenant facilities and welfare facilities, including commercial facilities, the housing units shall be selected as specified in paragraph (1) 4:

1. Priority 1: The purpose of use of the former structure is the same as or similar to that of a structure to be sold; and, as the owner of a structure where he or she operates a business after filing business registration (including authorization, license, reporting, etc.; hereafter in this paragraph, the same shall apply), the value of his or her right (where a multi-family housing unit has been purchased, referring to the value excluding the purchase value thereof; hereafter in this paragraph, the same shall apply) is at least the estimated value of a structure to be sold in the smallest size;
2. Priority 2: A person the value of whose right is at least the estimated value of a structure to be sold in the smallest size, as the owner of a former structure the purpose of use of which is the same as or similar to that of a structure to be sold;
3. Priority 3: A person the value of whose right falls below the estimated value of a structure to be sold in the smallest size but has not purchased a multi-family housing unit, as the owner of a former structure registered for a business and the purpose of use of which is the same as or similar to that of a structure to be sold;
4. Priority 4: A person the value of whose right falls below the estimated value of a structure to be sold in the smallest size but has not purchased a multi-family housing unit, as the owner of a former structure, the purpose of use of which is the same as or similar to that of a structure to be sold;
5. Priority 5: A person the value of whose right is at least the estimated value of a structure to be sold in the smallest size, as a person who has not purchased a multi-family housing unit;
6. Priority 6: A person the value of whose right is at least the estimated value of a structure to be sold in the smallest size, as a person who has purchased a multi-family housing unit.

Article 39 (Deposit of Expenses for Verifying Validity of Management and Disposal Plan)

(1) The head of a Gu shall notify that a project implementer should deposit expenses for verifying the validity of its management and disposal plan before requesting a public institution to verify the validity of a management and disposal plan pursuant to Article 78 (3) of the Act.

(2) Where the verification of the validity is completed, the head of the Gu shall pay expenses for verifying the validity directly from the deposited amount and settle the remaining expenses with the project implementer.

(3) When requesting the verification of the validity of a management and disposal plan pursuant to Article 78 (3) 3 of the Act, a written request for verification of the validity of the management and disposal plan in the attached Form 3 shall be submitted to the head of the competent Gu, along with a written consent to the request for verification of in attached Form 4.

Article 40 (Sale of Building Sites or Units to General Public)

Land and structures excluding housing units to be supplied to the owners of a plot of land or structure pursuant to Article 79 (2) of

the Act and reserved area to be disposed of pursuant to Article 44 (hereinafter referred to as "facilities allotted by the authorities in recompense of development outlay") may be sold to persons other than the members of the association or the owners of a plot of land or structure pursuant to Article 79 (4) of the Act, and the criteria for such sale shall be as follows:

1. Multi-family housing units among facilities allotted by the authorities in recompense of development outlay shall be sold to the general public as prescribed by the Housing Act and the Rules on Housing Supply, based on the prices calculated pursuant to Article 74 (1) 4 (a) of the Act;
2. Appurtenant facilities and welfare facilities among facilities allotted by the authorities in recompense of development outlay shall be sold as prescribed by the Housing Act and the Rules on Housing Supply, based on the prices calculated pursuant to Article 74 (1) 4 (d) of the Act: Provided, That, where tenants (referring to tenants who have operated businesses continuously since three months before the date of public announcement for public inspection of the designation of the improvement zone until the date of relocation due to the approval of the project implementation plan) want to purchase such facilities, the facilities shall be sold to the tenants on the preferential basis in the following order,:
 - (a) Priority 1: A person who has operated a business after completing business registration, as a tenant of a structure whose purpose of use is the same as or similar to that of the structure to be sold;
 - (b) Priority 2: A person who has operated a business, as a tenant of a structure whose purpose of use is the same as or similar to that of the structure to be sold;
3. Notwithstanding subparagraphs 1 and 2, the head of a Gu shall ensure to sell a house specially to a person who owns a house to be demolished in an urban renewal acceleration district due to an urban planning project (limited to a person who does not own a house other than the house to be demolished) pursuant to Article 36 of the Rules on Housing Supply if he or she wishes to purchase a house in a nearby improvement zone.

Article 41 (Acquisition Price of Redeveloped Rental Housing and Items to Be Added)

- (1) The acquisition price of redeveloped rental housing (hereinafter referred to as "rental housing") under Article 68 of the Decree shall be the aggregate of the construction cost and the price of appurtenant land. In such cases, the construction cost shall conform to the standard construction cost of public-constructed rental housing as at the time the first invitation of occupants is publicly announced for general supply.
- (2) The items to be added to the construction cost of rental housing and the price of the appurtenant land pursuant to Article 68 (2) of the Decree shall be determined after holding consultation under Article 9-2 of the Rules on Determination of Sale Price of Multi-Family Housing and Table 7 of the Enforcement Rule of the Special Act on Public Housing.
- (3) Notwithstanding paragraph (1), where a project implementer is granted mitigation of a floor area ratio by choosing to construct rental housing, such as housing for a long-term lease on a deposit basis, the appurtenant land shall be supplied free of charge to the acquirer.
- (4) The land appurtenant to redeveloped rental housing under in Article 68 (2) of the Decree refers to the land subject to the right to a site (referring to the right to use a site defined in subparagraph 6 of Article 2 of the Act on Ownership and Management of Condominium Buildings, which cannot be disposed of separately from the building) of the rental housing. In such cases, where redeveloped rental housing is constructed by dividing the site into separate lots at the time the improvement zone is designated, such land refers to such lots.

Article 42 (Methods and Procedures for Acquiring Rental Housing Units)

- (1) Where an association requests the Mayor to acquire rental housing units (including the site, appurtenant facilities and welfare facilities; hereinafter the same shall apply) newly constructed by implementing a redevelopment project pursuant to Article 79 (5) of the Act, the Mayor shall conclude a sale and purchase agreement with the association (hereinafter referred to as "sale and purchase agreement") at the acquisition price determined pursuant to Article 41 (1) and (2).
- (2) An association shall submit the relevant documents, such as the rental housing construction plan and calculation details of the sale price (including changes thereto), to the head of the competent Gu, after obtaining approval of the project implementation plan, and shall consult with the Mayor thereon.
- (3) An association shall include the sale price consulted pursuant to paragraph (2) in the management and disposal plan.
- (4) The Mayor and an association shall conclude a contract for the sale and purchase of rental housing units at the time the first invitation of occupants is publicly announced for general supply.
- (5) Notwithstanding paragraph (4), the Mayor may adjust the timing of concluding a sale and purchase contract within the budget, when necessary for the invigoration, etc. of improvement projects.
- (6) The Mayor shall pay the acquisition price of rental housing units specified in the sale and purchase contract as follows:
 1. When concluding the sale and purchase contract, a contract deposit equivalent to five percent of the total amount shall be paid;
 2. Intermediate payments shall be made in five installments in the amount equivalent to 15 percent of the total amount, respectively, when the construction progress reaches at least 20 percent, 35 percent, 65 percent and 80 percent;
 3. Part of the remainder shall be paid in the amount equivalent to 15 percent of the total amount after obtaining approval for completion of the project pursuant to Article 83 of the Act, and the remaining balance shall be paid on or after the date of the public notice of transfer under Article 86 of the Act.

- (7) The Mayor may separately decide the matters necessary for the acquisition of rental housing units.
- (8) The method of concluding the sale and purchase contract of a rental housing site to be constructed by the Corporation designated as a project implementer pursuant to the latter part of Article 28 (1) and the payment method thereof shall be as follows:
1. The sale and purchase contract of a rental housing site shall be concluded between the relevant project implementer and the Mayor after completing the development of the site of the improvement zone;
 2. The sale price shall be the estimated price calculated pursuant to Article 68 (2) of the Decree;
 3. The sale price shall be paid as follows by dividing it into a contract deposit, intermediate payment and the remainder:
 - (a) The amount of the contract deposit shall be 20 percent of the total amount, and shall be paid when the sale and purchase contract of the site is concluded;
 - (b) The amount of intermediate payment shall be 75 percent of the total amount, and shall be paid after the rental housing site has been transferred and acquired after conducting a survey of present conditions thereof;
 - (c) The remainder shall be paid after the date of the public notice of transfer made under Article 86 of the Act.
- (9) Where a project implementer constructs rental housing units by implementing a residential area preservation project, the methods and timing of concluding the sale and purchase contract of the rental housing units, the sale price and the payment method thereof shall be as follows:
1. The sale and purchase contract shall be concluded by and between the Mayor and the relevant project implementer when a report on the commencement of the construction of rental housing is filed;
 2. The sale price shall be determined as prescribed in Article 68 (2) of the Decree, but the items to be added to the price of construction costs may be determined separately by holding consultation between the Mayor and the project implementer, and shall be finalized by the approval of the management and disposal plan. In such cases, such price shall not exceed the arithmetic mean of the values appraised by least two appraisal business entities, as the date approval of the relevant project implementation plan is publicly notified;
 3. The sale price shall be paid by dividing it into a contract deposit, intermediate payment and the remainder:
 - (a) The amount of the contract deposit shall be 20 percent of the total amount, and shall be paid when the sale and purchase contract is concluded;
 - (b) The amount of intermediate payment shall be 60 percent of the total amount, and shall be paid after completing the development of the rental housing site and transferring the result of a survey of present conditions thereof to the Mayor;
 - (c) Part of the remainder shall be paid after the date of the approval of completion issued under Article 83 of the Act, in the amount equivalent to 15 percent of the total amount, and the remaining balance shall be paid after the date of the public notice of transfer made under Article 86 of the Act.

Article 43 (Persons Excluded from Those Eligible to Be Supplied with Housing Units Constructed by Residential Environment Improvement Projects)

Persons to be excluded from the supply of housing units pursuant to the proviso to attached Table 2 under Article 66 of the Decree shall be the owners of land which is less than 90 square meters.

Article 44 (Reserved Area)

- (1) Where housing units, etc. pursuant to Article 38 are supplied, the project implementer shall secure reserved areas (including structures; hereinafter the same shall apply) under Article 79 (4) of the Act to prepare for the omissions of, errors concerning, and litigation, etc. to be filed by eligible purchasers in accordance with the following standards:
1. Multi-family housing units within the range of one percent of the total number of households to be constructed to sell to the owners of a plot of land or structure under Articles 74 and 79 of the Act, and part of appurtenant facilities and welfare facilities, including commercial facilities, may be designated as reserved areas;
 2. A project implementer intending to designate reserved areas in excess of the range of one percent referred to in subparagraph 1 shall submit the reason therefor and evidentiary documents to the head of the competent Gu to obtain approval.
- (2) The reserved areas under paragraph (1) shall be disposed of in accordance with the following standards:
1. Such areas shall be disposed of, on a preferential basis, to eligible purchasers subjected to the omissions of, errors concerning, and litigation, etc. filed, or to qualified tenants referred to in Article 27 (2) 3;
 2. Article 74 (1) 3 of the Act shall apply mutatis mutandis to the sale prices of reserved areas;
 3. Any portion of reserved areas remaining after disposal conducted pursuant to subparagraph 1 shall be sold in accordance with Article 40.

Article 45 (Security Deposits and Rents in Cases of Residential Environment Improvement Projects)

Security deposits and rents of rental housing units in a residential environment zone specified in subparagraph 1 (c) (ii) of attached Table 3 under Article 69 (1) of the Decree shall be governed by the relevant provisions of the statutes and/or regulations related to rental housing.

Article 46 (Persons Eligible to Be Supplied with Rental Housing Units Constructed by Redevelopment Projects)

- (1) "Person specified by City/Do municipal ordinance" in subparagraph 2 (a) (iv) of attached Table 3 under Article 69 (1) of the

Decree means any of the following persons:

1. A homeless householder (excluding a tenant residing in a newly appeared unlicensed structure), as a tenant residing continuously in the relevant improvement zone, from three months before the date of public announcement for public inspection for the designation of an improvement zone under Article 13 of the Decree (in cases of a change in the methods for implementing a project, referring to the date of public announcement for public inspection for the change), based on the date the householder was registered in the resident registration card by household (in cases of a recipient defined in subparagraph 2 of Article 2 of the National Basic Living Security Act, since before the date of application for approval of the project implementation plan), until the date the householder moves out from the relevant structure due to approval of the project implementation plan (referring to the date the householder moves out from the relevant structure with permission from the head of the competent Gu, where the structure is demolished pursuant to Article 81 (3) of the Act); and a householder, as the owner of a plot of land or structure residing in the relevant improvement zone, becoming homeless due to the relevant improvement project, among persons the value of whose respective right is less than 1/4 of the value of a housing unit with the smallest size to be sold;
2. The owner of a plot of land or structure, who is qualified to be supplied with a housing unit in the relevant improvement zone but has given up an application to purchase (limited to those who own no other housing unit than housing units to be demolished);
3. A university or college student of a low-income household, selected on the recommendation of the head (the president or dean) of a university or college in which he or she is enrolled (limited to the relevant area where the rental housing is planned under Article 8 (1) 2);
4. A person who meets eligibility requirements to move into a housing unit referred to in subparagraph 1, as a tenant in any other redevelopment zone than the relevant improvement zone; or a person who meets eligibility requirements to move into a housing unit referred to in subparagraph 2, as the owner of a plot of land or structure;
5. A person selected by the Mayor upon recommendation of the head of a Gu, as the owner of a housing unit to be demolished due to an urban planning project abutting on the relevant improvement zone (excluding an improvement project implemented under the Act, Decree, Enforcement Rules or this Ordinance) or a homeless householder;
6. Other persons prescribed by municipal rules.

(2) Eligibility for supply under paragraph (1) 1 shall be determined, based on any of the following households:

1. A household consisting of husband and wife, or lineal ascendants or lineal descendants registered in the resident registration card by household, from three months before the date of public announcement for public inspection of the designation of the improvement zone, until the household moves into a rental housing unit. In such cases, it shall include any household in which a divorced mother is living together with a person who was her lineal ascendant or lineal descendent;
2. A household designated by the head of the competent Gu, as a boy-headed or girl-headed household in which at least two family members are registered in the resident registration card by household;
3. A household consisting of siblings only in which at least two family members are registered in the resident registration card by household. In such cases, the householder shall be at least 30 years of age or a person who has the income referred to in Article 4 of the Income Tax Act;
4. In cases of a household which has no spouse or no household member who is a lineal ascendant or lineal descendent registered in the resident registration card by household, from three months before the date of public announcement for designation of a redevelopment zone (in cases of an improvement zone designated on or before June 30, 1996, referring to the date of public announcement of the finalization of the project plan; and in cases of the change of the method of implementing the project, referring to the date of public announcement for public inspection for the change of the method of implementing the project), until the household moves into a rental housing unit, the householder shall be at least 30 years of age or a person who has the income referred to in Article 4 of the Income Tax Act: Provided, That persons who are residing in the same house with its owner but form a separate household in the resident registration card shall be excluded therefrom, and if multiple households are registered in a resident registration card as living in the same house, only one rental housing unit shall be supplied.

(3) Rental housing units of a redevelopment project pursuant to subparagraph 2 (b) of attached Table 3 under Article 69 (1) of the Decree shall be supplied based on the following priority order:

1. Priority 1: A person falling under paragraph (1) 1;
2. Priority 2: A person falling under paragraph (1) 2;
3. Priority 3: A person falling under paragraph (1) 3;
4. Priority 4: A person falling under paragraph (1) 4;
5. Priority 5: A person falling under paragraph (1) 5;
6. Priority 6: A persons falling under paragraph (1) 6.

(4) Rental housing units to be supplied pursuant to paragraphs (1) 3 and (3) 3 shall be supplied, based on the following priority order, to the students recommended by the head (the president or dean) of the university or college in which they are enrolled only during the period of their enrollment:

1. Priority 1: A university or college student evicted from a child welfare institution;
2. Priority 2: A university or college student who is a son or daughter of a recipient of basic living expenses;
3. Priority 3: A university or college student who is a son or daughter of a person of the second-lowest income bracket.

(5) If there is competition in the same priority order under paragraph (3), rental housing units shall be supplied in the order of the longest period of residence in the relevant improvement zone.

Article 47 (Public Notice of Completion of Construction)

Where a project implementer (including co-project implementers) is the Korea Land and Housing Corporation and has notified the head of the competent Gu of the results of approval of completion pursuant to Article 19 (3) of the Korea Land and Housing Corporation Act and Article 41 (2) of the Enforcement Decree of the same Act as prescribed in the proviso to Article 74 (1) of the Decree, the head of the Gu shall publicly notify the matters set forth in the subparagraphs of Article 74 (2) of the Decree, in the Official Gazette of the relevant autonomous Gu.

CHAPTER IV ADJUSTMENT OF TIME FRAMES FOR GRANTING APPROVAL OF PROJECT IMPLEMENTATION PLANS AND MANAGEMENT AND DISPOSAL PLANS

Article 48 (Definitions)

CHAPTER IV ADJUSTMENT OF TIME FRAMES FOR GRANTING APPROVAL OF PROJECT IMPLEMENTATION PLANS AND MANAGEMENT AND DISPOSAL PLANSThe terms used in this Chapter shall be defined as follows:

1. The term "neighborhood" means the autonomous Gus whose administrative borders abut on the administrative border of an autonomous Gu where a project implementation zone is located;
2. The term "inventory of housing units" means the inventory of housing units estimated by the Mayor taking into consideration the supply and demolition of housing units by the end of each quarter, based on the Population and Housing Census conducted by the Statistics Korea;
3. The term "zone subject to adjustment" means an improvement zone for which the time frames for approving a project implementation plan or a management and disposal plan is decided to be adjusted after deliberation by the Housing Policy Deliberative Committee of the Seoul Metropolitan Government (hereinafter referred to as the "Housing Policy Deliberative Committee");
4. The term "data for adjustment of time frames" means the current status and progress of the relevant zone, the expected period of relocation and the number of relocating households, and the demolition and supply of housing units.

Article 49 (Reasons for Adjusting Time Frames)

(1) "Any event specified by municipal ordinance of the competent Special Metropolitan City, Metropolitan City or Do" in Article 75 (1) of the Act means any of the following cases:

1. Where the number of existing housing units in an improvement zone exceeds one percent of the inventory of housing units in the relevant autonomous Gu;
2. Where the number of existing housing units in an improvement zone exceeds 2,000 units;
3. Where the number of existing housing units in an improvement zone exceeds 500 and the total number of existing housing units in one or more other improvement zones (limited to the zones for which applications for approval of management and disposal plans have been filed or such approvals have been granted within the recent six months based on the application date of approval for the relevant zone) in the same legal Dong exceeds 2,000.

(2) A zone subject to deliberation that falls under any of the following cases may be determined as a zone subject to adjustment:

1. Where the number of demolished housing units in the neighborhood exceeds the quantity supplied by 30 percent;
2. Where the number of demolished housing units in the neighborhood exceeds the quantity supplied by 2,000 units;
3. Other cases where the Housing Policy Deliberative Committee deems it necessary to adjust the time frames for granting approval in consideration of instability of housing market.

Article 50 (Data for Adjustment of Time Frames)

(1) The head of a Gu shall prepare the status and forecast of the supply and demolition of housing units, the status of and the plan for the promotion of improvement projects in the relevant autonomous Gu (indicating whether it falls under a zone subject to deliberation due to the reason set forth in Article 49 (1) 3), the trend of deposit amount for lease on a deposit basis, etc., and shall submit them to the Mayor by the end of each month.

(2) The Mayor shall publicly announce each quarter the inventory of housing units of each Gu, based on the data for adjustment of time frames submitted by the head of each Gu.

(3) The head of a Gu may request a project implementer to submit data for adjustment of time frames even before an application for approval of a project implementation plan or management and disposal plan regarding an improvement zone is filed.

(4) The Mayor may separately determine and operate detailed criteria necessary to adjust time frames.

Article 51 (Procedures and Methods for Adjusting Time Frames)

(1) When the project implementer of a zone subject to deliberation files an application for approval of a project implementation plan or management and disposal plan, the head of the Gu shall prepare the data for adjustment of time frames and the review

opinions, and shall request the Mayor to deliberate thereon.

(2) The Mayor shall make decisions on whether time frames for granting approval of a project implementation plan or management and disposal plan, adjustment period, etc. after deliberation by the Housing Policy Deliberative Committee.

(3) The Mayor shall notify the head of the relevant Gu of the matters decided pursuant to paragraph (2) in writing within 60 days from the date of the application for deliberation, and the head of the relevant Gu shall comply with such matters decided unless any extenuating circumstance exists.

(4) The head of a Gu may grant approval if the adjustment period decided under paragraph (2) expires.

(5) A project implementer in a zone subject to adjustment may select a contractor, in consultation with public assistants, even during the adjustment period of approval of a project implementation plan.

CHAPTER V BEARING OF COSTS

Article 52 (Subsidization of Cost of Fundamental Infrastructures)

CHAPTER V BEARING OF COSTS(1) Pursuant to Article 92 (2) of the Act and Article 77 of the Decree, the Mayor may grant a subsidy to the head of a Gu for all or part of the installation cost of any of the following fundamental infrastructures:

1. Roads for the exclusive use of motor vehicles under Article 48 of the Road Act, main arterial roads and local distribution roads under Article 3 of the Rules on the Standards for Structures and Facilities of Roads, and urban parks under Article 15 of the Act on Urban Parks and Green Areas (excluding small parks and children's parks), in a housing improvement-type redevelopment zone;

2. Major fundamental infrastructures to be installed in an urban improvement-type redevelopment zone due to a ground falling under any of the following cases:

(a) Where it is necessary to implement the project urgently due to a natural disaster, etc.;

(b) Where it is necessary to implement the project in connection with an urban planning project implemented by the Mayor;

(c) Where the size of a construction project is restricted due to the implementation of an improvement project in the neighborhood of a cultural asset, etc. to preserve cultural heritage;

(d) Where the head of a Gu implements the project after prior consultation with the Mayor to construct a public structure or to invigorate other regional economy;

(e) Where the project is implemented by the restoration-type [(referring to a small unit improvement-type referred to in 2025 Seoul Metropolitan Government Master Plan for Improving Urban Areas and Residential Environments (urban environments improvement project sectors)] improvement method (referring to the method that gradually improves old structures and vulnerable urban environments while maintaining and preserving the regional characteristics and locality).

(2) Pursuant to Article 95 of the Act, the Mayor may subsidize part of the installation cost of major fundamental infrastructures to the relevant project implementer for any of the following costs:

1. Cost for installing major fundamental infrastructures and common facilities (limited to a management-type residential environment improvement zone) in a residential improvement zone;

2. Cost for installing any of the following fundamental infrastructures in a housing improvement-type redevelopment zone (hereinafter referred to an "installation cost"):

(a) Roads which are at least eight meters wide, for urban planning facilities;

(b) Small parks, children's parks and green areas;

(c) Roads which are less than eight meters wide, if a redevelopment project is implemented in any of the following areas recognized by the Mayor for the purpose of creating a various residential areas, including middle- and low-rise housing, to be in harmony with the terrain, etc.:

(i) An area where an improvement project is promoted, as a hilly area at least 40 meters above sea level;

(ii) An area requiring preservation of landscape;

(iii) A low-density development area where up to seven floors are allowed.

(3) In order for a project implementer to receive a subsidy for the installation cost of fundamental infrastructure pursuant to paragraph (2) 2, he or she shall prepare and submit documents prescribed by municipal rules to the head of the competent Gu, and the head of the Gu shall consult on the subsidy with the Mayor and shall notify the project implementer of the result of the consultation before a public inspection of the approval of the project implementation plan is conducted pursuant to Article 56 of the Act. In such cases, the zone eligible for the subsidization of the installation cost shall be limited to a zone for which an approval (including amended approval) of the project implementation plan is obtained before filing a report on the commencement of construction works under Article 21 of the Building Act.

(4) A subsidy for the installation cost shall be paid after completion of construction works, within the range of the amount notified pursuant to paragraph (3).

(5) The Mayor may prescribe by municipal rules necessary matters concerning the criteria for calculating the subsidy for installation cost under paragraphs (3) and (4), and detailed procedures, methods, etc. for the application, notification, and payment of the subsidy.

(6) Where only part of the site of fundamental infrastructure to be installed by a project implementer pursuant to Article 96 of the Act is secured, and thus it is deemed that the relevant infrastructure would be unable to function properly or the efficiency of the use of the infrastructure would be unsatisfactory, even if the fundamental infrastructure becomes to be installed, the head of the relevant autonomous Gu may require the project implementer to deposit the installation cost of the relevant infrastructure in the treasury of the relevant autonomous Gu.

(7) Where the head of a Gu formulates an improvement plan pursuant to Article 8 (5) of the Act, the Mayor may subsidize necessary costs within the range prescribed by municipal rules.

(8) In order to preserve residential environments, the Mayor may subsidize the cost for improving houses for the owners of a plot of land or structure up to 1/2 of the construction cost within the budget, if some houses continue to remain in any of the following areas in an improvement zone (excluding a reconstruction zone). In such cases, the Mayor may determine the persons eligible for, and methods, etc. of, the subsidy:

1. Areas requiring preservation of historical and cultural characteristics;
2. Regulated areas, such as scenic districts and high-altitude districts.

(9) Where deemed necessary, the Mayor may subsidize, within the budget, the project cost for preservation, etc. of old paths, old waterways, and traditional Korean-style houses named Hanok in an improvement zone for which plans to preserve and utilize historic and cultural resources are included in the improvement plan pursuant to subparagraph 8 of Article 8, among housing improvement-type redevelopment zones.

Article 53 (Loans for Project Costs)

(1) The Mayor may provide a loan for part of the costs required for an improvement project within the following range to a person who implements an urban improvement-type redevelopment project for the recovery, etc. of urban functions:

1. In cases of a project implemented by the head of a Gu: Within 80 percent of the construction cost;
2. In cases of a project implemented by a person other than the head of a Gu: Within 40 percent of the construction cost.

(2) "Other expenses and costs specified by City/Do municipal ordinance" in Article 79 (5) 5 of the Decree means operating expenses of a promoters' committee and an association and service cost such as design cost.

(3) Loans may be granted in accordance with the following criteria within the range prescribed in Article 79 (5) of the Decree:

1. The interest rate of a loan shall be determined by the Mayor at the level of maintaining its function as a policy fund, in consideration of the base rate determined by the Bank of Korea, but the interest rate of a loan may be differentially applied according to the items of expenditure requiring the loan such as operating expenses of a promoters' committee and an association and service cost;
2. The project implementer shall repay the loan before filing an application for approval for the completion of the relevant improvement project.

(4) A promoters' committee or an association may file an application for a loan with the Mayor after adopting a resolution by a general meeting, and shall submit the regulations on operation or articles of association that include the following:

1. Matters concerning the repayment of the loan amount;
2. Matters concerning the succession of debts in the event of the replacement of the chairperson of the promoters' committee or the president of the association who has provided collateral, etc. as at the time the application for the loan is filed.

(5) The Mayor may grant a loan for expenses to improve and newly construct houses in a management-type residential environment improvement project zone, within the range of 80 percent.

(6) Necessary matters concerning loans, other than those specified in paragraphs (2) through (4), shall be determined by municipal rules.

Article 54 (Vesting of Ownership of Fundamental Infrastructure and Land)

(1) A road to be transferred free of charge to the project implementer among the public property referred to in Article 97 (3) 4 of the Act refers to a site provided for public traffic and actually used as a road. In this regard, the cases shall also include the relevant ownership vested free of charge in the head of the Gu, the Korea Land and Housing Corporation, etc. pursuant to Article 97 (1) of the Act .

(2) The Mayor may determine the standards, etc. of roads necessary for free transfer (vesting of ownership).

Article 55 (Criteria for Recognizing Preemptive Rights to Occupation and Use of State or Public Land)

(1) The criteria for preferential sale of State or public land to the owner of a structure (excluding cases where membership of the association is not recognized as prescribed in the articles of association, and newly appeared unlicensed structures) who occupies and uses such State or public land in an improvement zone pursuant to Article 98 (4) of the Act, shall be as follows. In such cases, the area to be sold shall not exceed 200 square meters:

1. The area authorized to occupy and use shall be the area actually used by structures, the boundary of which is distinguished by walls, etc.; and where it is impractical to distinguish the boundary, the vertical line at the end of the eaves shall be the boundary;
2. Where a structure occupies and uses any private land and State or public land, the area to be sold shall include an area of such private land and an area of State or public land in the relevant zone.

(2) The calculation of an area of land occupied and used referred to in paragraph (1) shall conform to the results of cadastral survey conducted under the Act on the Establishment and Management of Spatial Data.

(3) A person who occupies and uses State or public land and intends to purchase it on a preferential basis pursuant to paragraph (1), shall conclude a sale and purchase contract with the management authority of the relevant State or public land, by the time of filing of an application for approval of a management and disposal plan.

Article 56 (Criteria for Public Interests for Exemption from User Fees for Common Facilities)

(1) "Criteria for public interests" for exemption from user fees for common facilities in a management-type residential environment improvement zone under Article 100 of the Act means any of the following:

1. The activities shall be aimed to protect and improve residential environments, to ensure the health, safety and benefits of residents, and to solve problems faced by the regional community;
2. The activities shall be aimed to enhance the quality of life of local residents by invigorating the local economy through social services or providing jobs in the fields of welfare, medical care, environment, etc.

(2) Pursuant to Article 100 of the Act, those eligible for the exemption from user fees for common facilities shall be as follows:

1. The head of the relevant Gu;
2. The community management council;
3. An organization organized under the initiative of local residents in connection with the community management council to attain the public interests referred to in paragraph (1).

(3) Those eligible for the exemption from user fees for common facilities under paragraphs (1) and (2) may operate profit-making facilities required in the region within the range not infringing existing commercial rights; and if any profits are created therefrom, they shall be accumulated as a community fund and used transparently to attain the public interests referred to in paragraph (1).

(4) The Mayor may provide guidance to and supervise the accumulation, use, etc. of the community fund referred to in paragraph (3) by applying Article 61 *mutatis mutandis*.

Article 57 (Management and Disposal of State and Public Land in Residential Environment Improvement Zones)

(1) Articles 26 (3) and 36 of the Seoul Metropolitan Government Ordinance on Public Property and Commodity Management, and Article 80 of the Enforcement Decree of the Public Property and Commodity Management Act shall apply *mutatis mutandis* to the management and disposal of any State and public land in a residential environment improvement zone transferred to the project implementer pursuant to Article 101 (5) of the Act.

(2) In cases of disposing of any land transferred, the management authority shall register a special agreement for canceling the contract for disposal of the relevant land when the relevant residential environment improvement project is cancelled.

CHAPTER VI CONSULTATIVE BODY FOR RESIDENTS AND COMMUNITY MANAGEMENT COUNCIL IN MANAGEMENT-TYPE RESIDENTIAL ENVIRONMENT IMPROVEMENT PROJECT

Article 58 (Definitions)

CHAPTER VI CONSULTATIVE BODY FOR RESIDENTS AND COMMUNITY MANAGEMENT COUNCIL IN MANAGEMENT-TYPE RESIDENTIAL ENVIRONMENT IMPROVEMENT PROJECT The terms used in this Chapter shall be defined as follows:

1. The term "resident" means the owner of a plot of land or structure or a tenant in a zone where a management-type residential environment improvement project is planned or in a management-type residential environment improvement zone;
- 2 The term "consultative body for residents" means an organization comprised of residents, related experts, interested persons, etc. to formulate an improvement plan;
3. The term "community management council" means an organization comprised of residents, relevant experts, interested persons, etc., to promote an urban regeneration in physical, social and economic aspects, after an improvement zone for a management-type residential environment improvement project is designated.

Article 59 (Organization and Operation of Community Management Council)

(1) The organization of a community management council shall obtain approval of the head of the competent Gu after obtaining consent from at least 1/10 of the numbers of the residents residing in the relevant zone: Provided, That the head of the Gu may organize a community management council in cases of failing to obtain the consent required for the organization of a community management council.

(2) When organizing a community management council, the operating bylaws shall be formulated, and any amendment to the operating bylaws shall require approval of the head of the competent Gu.

(3) The Mayor may formulate the standard operating bylaws of a community management council, including matters necessary for the formulation of the operating bylaws, such as the operation of the community management council and the methods and procedures for selecting its members.

Article 60 (Support to Community Management Council)

The Mayor and the head of a Gu may subsidize part of the expenses required for the organization, operation, etc. of a community management council or a consultative body for residents, within the budget, to strengthen the residents' capacity and invigorate the community in a management-type residential environment improvement zone or a zone planned as such.

Article 61 (Provision of Guidance to and Supervision of Community Management Council)

(1) The Mayor may request a community management council to report the necessary matters related to subsidized expenses and affairs related to the operation of the common facilities used by residents, or to inspect documents, facilities, etc. necessary to provide guidance on and to supervise the duties of the community management council.

(2) The Mayor may issue a corrective order when the results of the report or inspection made pursuant to paragraph (1) deem the processing of affairs illegal or unfair.

(3) In cases of issuing a corrective order pursuant to paragraph (2), the Mayor shall notify the relevant community management council of such order in writing and grant an opportunity to express the opinion of the community management council in advance.

(4) Where a community management council fails to fulfill a corrective order issued pursuant to paragraph (2), the Mayor may take such measures as recovery of subsidized expenses, replacement of the management authority of common facilities, etc.

CHAPTER VII SUPERVISION

Article 62 (Report on Performance of Improvement Projects)

CHAPTER VII SUPERVISION(1) Pursuant to Article 111 (1) of the Act, the head of a Gu shall report the performance of the following matters to the Mayor within 10 days from the date the relevant disposition is made:

1. Designation and public notification of a project implementer under Article 24, 25, 26 or 27 of the Act;
2. Determination and public notification of the commencement of project implementation by an agent under Article 28 of the Act;
3. Approval of the promoters' committee under Article 31 of the Act;
4. Authorization (amendment of authorization) to establish an association (acceptance of a report thereon) under Article 35 of the Act;
5. Approval (amendment, suspension, or cancellation of approval) of a project implementation plan (acceptance of a report thereon) under Article 50 of the Act and public notification thereof;
6. Approval (amendment of approval) of a management and disposal plan (acceptance of a report thereon) under Articles 74 and 78 of the Act and public notification thereof;
7. Approval to invite occupants under Article 79 (4) of the Act and approval of general sale under Article 20 of the Rules on Housing Supply;
8. Approval of completion (including permission for use before the completion is approved) under Article 83 of the Act and public notification of completion of construction works;
9. Designation of minor modifications of an improvement plan under Article 11 (2) and public notification thereof.

(2) Pursuant to Article 111 (1) of the Act, the head of a Gu shall report the following matters to the Mayor within seven days from the end of each quarter:

1. Details of orders to submit data or of investigations on business operation under Article 111 (2) of the Act;
2. Details of the findings of an audit reported by a project implementer under Article 112 of the Act;
3. Status of dispositions taken for supervision under Article 113 (1) of the Act;
4. Organization of an inspection team and details of the results of the field inspection conducted under Article 113 (2) of the Act.

(3) Pursuant to Article 57 of the Rules on Housing Supply, the head of a Gu shall notify the designated agency for computerized management of a list of the association members determined as prospective residents as at the time an approval of a management and disposal plan is granted pursuant to subparagraph 7 (b) of Article 2 of the same Rules.

Article 63 (Implementation and Completion of Training Programs)

(1) When the Mayor or the head of a Gu implements a training program pursuant to Article 115 of the Act or Article 90 of the Decree, the chairperson of a promoters' committee and the auditors, executive officers of an association, the special administrator of an association, etc. shall complete the training program; and a training program may also be implemented for the representative or technical personnel of a management entity specialized in improvement projects, the owners of a plot of land or structure, etc.; and, where necessary, persons subject to mandatory completion of a training program may be designated.

(2) Where the Mayor or the head of a Gu intends to implement a training program pursuant to paragraph (1), he or she may determine and publicly announce the standards therefor including the following matters:

1. Details of the training program prescribed in Article 90 of the Decree;
2. Time frames to complete the training program;
3. Persons subject to mandatory completion of the training program under paragraph (1);
4. Other necessary matters.

Article 64 (Qualification Requirements for Members of Urban Disputes Mediation Committees)

"Other persons prescribed by City/Do municipal ordinance as having expertise in improvement projects" in Article 116 (3) 5 of the Act means any of the following persons:

1. Members of the Council of the relevant autonomous Gu;
2. Members of the urban planning committee of or the building committee of the relevant autonomous Gu.

Article 65 (Operation of Urban Disputes Mediation Committees)

(1) Any public official falling under Article 116 (3) 1 of the Act and the chairperson who are members of an urban disputes mediation committee (hereinafter referred to as "mediation committee") shall serve for his or her term of office while he or she is in the relevant office; and the term of office of the commissioned members of a mediation committee shall be two years, but such members may serve for the consecutive terms of office.

(2) A mediation committee shall have subcommittees as follows:

1. The first subcommittee: Is in charge of mediation of disputes arising between an association or promoter's committee and the members of the association or the owners of a plot of land or structure;
2. The second subcommittee: Is in charge of mediation of other disputes not falling under the duties of the first subcommittee.

(3) The chairperson shall convene and preside over a mediation committee meeting, and his or her duties shall be as follows: Provided, That if the chairperson is unable to perform his or her duties due to any extenuating circumstance, a person elected by and from among the members of the mediation committee shall act on behalf of the chairperson:

1. When the chairperson intends to convene a mediation committee meeting, he or she shall notify the members of the date and time, place of the meeting, agenda for dispute mediation, etc. not later than five days before holding the meeting;
2. The chairperson may have a subcommittee take charge of the preliminary examination prior to the examination by the mediation committee;
3. Where deemed necessary for efficient examination and mediation, the chairperson may conduct a field investigation or may have parties to the mediation, related experts and relevant public officials attend a meeting to state their opinions.

(4) A mediation committee meeting shall be convened with the attendance of a majority of all incumbent members, and a resolution shall be adopted by the affirmative vote of at least a majority of those present: Provided, That a resolution at a meeting of a subcommittee shall be adopted by the affirmative vote of all the members of the subcommittee.

(5) A mediation committee shall have one executive secretary and one clerk to handle its administrative affairs; and the executive secretary shall be the administrative officer in charge of the administrative affairs related to the management of the mediation committee, and the clerk shall be the person in charge of such affairs.

(6) If a member of the mediation committee falls under any of the following cases, he/she shall be excluded from the deliberation and resolution of the relevant case brought for mediation:

1. Where the member has performed or is performing any service, appraisal, expropriation, advisory service, research, etc. in regard to the relevant case brought for mediation;
2. Where the member a current or former relative of a disputing party to the relevant case brought for mediation;
3. Where the member is directly interested in the relevant case brought for mediation.

(7) If there exists any ground for which it would be impractical to expect a member to impartially conduct deliberation and resolution, a party to the case may file a request to challenge him/her. In such cases, the chairperson of the mediation committee shall decide the acceptance of such request without adopting a resolution thereon by the mediation committee.

(8) A member may, if falling under any cause for exclusion, voluntarily refrain from the deliberation and resolution of the relevant case brought for mediation.

(9) Members who have attended a mediation committee meeting shall be paid allowances, travel expenses, etc. within the budget; but travel expenses, etc. incurred in investigations and field inspections may be paid for the actual costs.

Article 66 (Application and Procedures for Mediation of Mediation Committee)

(1) An applicant for mediation shall submit a written application for mediation in duplicate, and the mediation committee shall send one copy to the other party to the mediation.

(2) A person in receipt of an application for mediation shall submit a written reply within 20 days: Provided, That if a written notice is given to inform his or her presence at a mediation committee meeting to make statement, he or she may not submit a written reply.

(3) Other matters necessary for the operation, etc. of a mediation committee shall be prescribed by rule.

Article 67 (Organization and Operation of Consultative Body)

(1) The head of a Gu may organize and operate a consultative body to mediate any dispute arising from a process of seeking measures for relocation, consultation on loss compensation, etc. under Article 91 (4) of the Decree between a person subject to consultation on loss compensation referred to in the subparagraphs of Article 73 (1) of the Act or a tenant under Article 52 (1) 4 of the Act and a project implementer.

(2) A consultative body shall be organized from the day following the expiration date of the application period for the purchase of building sites or units under Article 72 of the Act, and shall be operated at least three times before a general meeting is held to

formulate a management and disposal plan: Provided, That, where deemed necessary, the head of the Gu may operate the consultative body even after granting approval of the management and disposal plan.

(3) A consultative body shall be comprised at least five but not more than fifteen members, including the chairperson, among the following persons, and the chairperson shall elect one person, by and between the members, from among the experts referred to in subparagraph 2; and Article 16 (3) shall apply mutatis mutandis to the organization of the consultative body. In such cases, "verification committee" shall be construed as "consultative body":

1. Public officials of Grade VI or higher engaged in affairs related to improvement projects in the relevant autonomous Gu;
2. Field experts in law, appraisal and assessment, management business specialized in improvement projects, etc.

(4) All or some of the following persons shall attend the meetings of a consultative body:

1. A project implementer;
2. Tenants for whom measures for housing and relocation is to be taken pursuant to Article 52 (1) of the Act;
3. Persons with whom negotiation is to be held regarding compensation for loss under Article 73 of the Act;
4. The appraisal business entities that have appraised property, rights, etc. under Article 74 (2) of the Act or Article 60 of the Decree;
5. Other persons who the Mayor deems to require negotiation.

(5) A consultative body shall negotiate and adjust the following matters:

1. Amount of loss, etc. to be compensated to a residential tenant;
2. Amount of loss, etc. to be compensated to a tenant of a commercial facility;
3. The amount of compensation (value amount of land, structures or any other rights) for loss, etc. to be negotiated for a person who has not filed an application to purchase a building site or unit as prescribed in Article 73 (1) of the Act or Article 60 of the Decree;
4. Other matters deemed necessary by the head of the Gu.

(6) If no agreement is reached despite the fact that the consultative body has been operated at least three times pursuant to paragraph (2), the head of the Gu may hold a mediation committee to examine and mediate the dispute pursuant to Article 117 (2) 2 of the Act and Article 91 (4) of the Decree.

(7) The head of the Gu shall notify the project implementer of the result of operating the consultative body, the result of the mediation conducted by the mediation committee, and other relevant matters.

(8) The Mayor may establish and publicly notify detailed standards necessary for the methods of the organization, operation, etc. of a consultative body and subsidize all or part of the expenses required for the operation of the consultative body.

Article 68 (Management of Relocation)

(1) With respect to the ownership of any land or structure or other rights in an improvement zone, where any request for purchase is filed under Article 64 of the Act, or where an eviction suit is filed as a result of adjudication of expropriation or use of property under Article 65 of the Act, the project implementer shall notify the result thereof, and where the project implementer has filed a request for the execution of transfer with the executing court or is notified of the designation of the date and time of the execution thereof, the project implementer shall report the details thereof to the head of the competent Gu without delay.

(2) The head of a Gu may have a public official under his or her jurisdiction investigate the transfer process pursuant to Article 111 (2) of the Act.

(3) "Time the head of the relevant Si/Gun/Gu recognizes" in Article 81 (4) 4 of the Act means the winter season (from December 1 to the last day of February of the following year), and in such cases, the demolition of structures shall include the act of eviction of existing occupants: Provided, That the relocation conducted based on the agreement reached as a result of operating a consultative body or a result of mediation conducted by a mediation committee under Article 67 shall be exceptional.

Article 69 (Establishment and Operation of Improvement Project Management Systems)

(1) Pursuant to Article 119 of the Act, the Mayor shall establish and operate the following improvement project management systems (hereinafter referred to as "improvement project systems" to ensure efficient and transparent management of improvement projects:

1. Clean-up system: A system for building data and providing information related to the implementation of improvement projects;
2. Apportioned charge estimation system: A system for providing information such as estimated charges apportioned to the owners of a plot of land or structure under Article 80;
3. Improvement project e-association system: A system for providing information on processing affairs related to budget, accounting, administrative affairs, etc. and other relevant information.

(2) The Mayor shall establish and implement a plan to continuously improve the functions of the improvement project systems established under paragraph (1) and to facilitate the use of the systems by users.

(3) The head of a Gu shall manage, supervise and support to ensure the normal operation of the improvement zone website included in the improvement project systems.

(4) Where a promoters' committee or a project implementer (in cases of an association, referring to the executive officers (including the liquidator) of the association) discloses any information through the Internet pursuant to Article 124 of the Act, they shall use the

clean-up system: Provided, That the foregoing shall not apply to cases where redevelopment projects are implemented solely by the owners of a plot of land or structure.

(5) The chairperson of a promoters' committee or the executive officers (including the liquidator) of an association shall disclose the prepared data such as budget, accounting management and documents by using the improvement project e-association system.

(6) The Mayor may establish detailed standards for the operation and management of the improvement project systems referred to in each item of paragraph (1).

Article 70 (Method and Timing of Disclosing Information)

(1) Pursuant to Article 120 of the Act, the head of a Gu shall disclose the following matters through the clean-up system within 90 days from the last day of each financial year:

1. The contract amount under Article 29 of the Act, among the matters specified in the approve management and disposal plan that has obtained approval (including amended approval; hereafter the same shall apply);
2. Interest accruing from an improvement project, among matters included in the approved management and disposal plan.

(2) The disclosure under paragraph (1) shall be made in attached Form 5.

Article 71 (Provision of Information and Hearing of Opinions)

The Mayor or the head of a Gu may provide the owners of a plot of land or structure with information necessary for decision-making, and may hear their opinions.

CHAPTER 8 PUBLIC ASSISTANCE IN IMPROVEMENT PROJECTS

Article 72 (Definitions)

CHAPTER 8 PUBLIC ASSISTANCE IN IMPROVEMENT PROJECTS The terms used in this Chapter shall be defined as follows:

1. The term "public assistant" means the head of a Gu as a person performing the activities set forth in the subparagraphs of Article 118 (2) of the Act;
2. The term "entrusted assistant" means a person entrusted with the duties of public assistance under Article 118 (1) of the Act;
3. The term "design documents" means documents necessary for bidding of a construction project, such as design specifications and quantity statements.

Article 73 (Projects Eligible for Public Assistance)

"Improvement projects specified by City/Do municipal ordinance" in Article 118 (1) of the Act means improvement projects implemented by respective associations (including any project jointly implemented by an association with a constructor or registered business entity) pursuant to Article 25 of the Act: Provided, That the foregoing shall exclude any urban improvement-type redevelopment project where the number of the owners of a plot of land or structure is less than 100 and the construction ratio of structures for residential purpose is less than 50 percent as at the date the improvement zone is designated and publicly notified pursuant to Article 16 of the Act.

Article 74 (Bearing of Expenses for Public Assistance)

(1) The head of a Gu shall bear the following expenses necessary to perform affairs related to public assistance:

1. Expenses for service provided by the head of the Gu for, and expenses for entrusting the Election Commission with the organization of a promoters' committee or the establishment of an association (limited to cases where no promoters' committee would be organized pursuant to Article 31 (4) of the Act);
2. Fees for the entrustment of assistance.

(2) A person who intends to receive assistance in any affairs other than those set forth in the subparagraphs of Article 118 (2) of the Act may apply for assistance to the head of the competent Gu after a resolution on thereon adopted by a general meeting.

(3) The head of a Gu in receipt of a request from an association under paragraph (2), shall designate one institution from among institutions referred to in Article 118 (1) of the Act and notify the association of such designation, and the association shall conclude a contract with the relevant institution on the scope of assistance, fees, etc. and shall bear such expenses.

Article 75 (Scope of Duties of Public Assistant)

"Other matters specified by City/Do municipal ordinance" in Article 118 (2) 6 of the Act means any of the following matters:

1. Entrustment of the affairs related to the selection of members to organize a promoters' committee to the Election Committee;
2. Assistance in the affairs related to the selection of other service providers including a construction project manager;
3. Assistance in preparatory works for the establishment of an association;
4. Assistance in the operation of, and the disclosure of information by, a promoters' committee or an association;
5. Assistance in formulating measures for housing and relocating tenants under Article 52 (1) 4 of the Act;
6. Assistance in formulating a management and disposal plan;
7. Assistance in the election, etc. of the representative of the owners of a plot of land or structure necessary for establishing an association for an improvement project that omits the step of organizing a promoters' committee pursuant to Article 31 (4) of the

Act;

8. Assistance in the affairs related to the selection method, etc. of a constructor under Article 118 (7) 1 of the Act.

Article 76 (Methods for Managing Elections)

The Mayor may determine the standards for the management of elections to select members of a promoters' committee, executive officers of an association or the representative of the owners of a plot of land or structure under subparagraph 7 of Article 75, including the following:

1. Matters concerning the entrustment of duties to the Election Commission;
2. Matters concerning holding of presentations sessions for residents;
3. Matters concerning the public announcement for registration and the registration of candidates and matters concerning the registration;
4. Matters concerning holding joint speech sessions;
5. Matters concerning residents' elections;
6. Other matters necessary to manage elections.

Article 77 (Standards for Selecting Contractors)

(1) Pursuant to Article 118 (6) of the Act, an association shall select a contractor at a general meeting after obtaining approval of a project implementation plan: Provided, That the timing of selecting a contractor may be adjusted where an agreement is concluded between the association and the constructor pursuant to Article 118 (7) 1 of the Act.

(2) Pursuant to paragraph (1), an association shall prepare design documents reflecting the approved project implementation plan and shall select a contractor through a competitive bid or no-bid contract (limited to cases where competitive bids have been miscarried at least twice; hereafter in this Article the same shall apply) referred to in Article 29 (1) of the Act.

(3) A promoters' committee or an association shall select at its general meeting a person who has filed a report on the founding of an architectural firm under Article 23 of the Certified Architects Act, as its designer, through a competitive bid or no-bid contract referred to in Article 29 (1) of the Act.

(4) A promoters' committee or an association shall select at its general meeting a management entity specialized in improvement projects registered under Article 102 of the Act, through a competitive bid or no-bid contract under Article 29 (1) of the Act. In such cases, the same shall not apply where the head of a Gu selects a management entity specialized in improvement projects pursuant to Article 118 (5) of the Act.

(5) The Mayor may establish the standards for methods, etc. of selecting a management entity specialized in improvement projects, a designer, a contractor, and a constructor referred to in Article 118 (7) 1 of the Act, including the following:

1. Detailed procedures for selecting business entities;
2. Functions and roles of public assistants at each stage of selecting business entities;
3. Other matters necessary to provide assistance, such as methods of selecting business entities.

(6) The Mayor may establish standards, etc. for selecting service providers pursuant to subparagraph 2 of Article 75.

Article 78 (Agreement on Joint Implementation of Project)

(1) Details of the terms and conditions of an agreement referred to in Article 118 (8) of the Act shall be as follows:

1. Purpose of the agreement;
2. Status, rights and obligations between the parties;
3. Scope and duration of the agreement;
4. Matters concerning the conclusion, amendment, termination, extension, performance guarantee, etc. of the agreement;
5. Matters concerning the implementation of and changes in the project;
6. Matters concerning the bearing of project cost, sharing of profits, and bearing of losses;
7. Matters concerning claims and debts;
8. Matters concerning the methods, procedures, etc. for decision-making;
9. Matters concerning the implementation and management of construction works;
10. Matters concerning disposal, acceptance, etc. of objects of construction;
11. Matters concerning occupancy, defect management, etc.;
12. Matters concerning disputes, litigation, etc.;
13. Matters concerning the affairs related to authorization and license;
14. Other matters necessary for the joint implementation of the project.

(2) The Mayor may prepare and disseminate a standard agreement for the joint implementation of a project, including the matters set forth in the subparagraphs of paragraph (1).

Article 79 (Designation of Entrusted Assistant)

(1) A public assistant that intends to entrust assistance in the project implementation process of an improvement project pursuant to Article 118 (1) of the Act, shall designate an entrusted assistant by applying mutatis mutandis the Regulations on Devolution and Entrustment of Administrative Competence.

(2) The Mayor may prepare and disseminate a standard agreement, including the following matters:

1. Purpose of entrustment;
2. Rights and obligations between the parties;
3. Location and area of the relevant zone;
4. Scope of entrusted affairs;
5. Period of entrustment;
6. Methods of concluding an agreement and payment of fees;
7. Matters concerning supervision;
8. Matters necessary for the management of entrustment, including termination of the agreement.

Article 80 (Assistance in Establishment of Association)

(1) The chairperson of a promoters' committee or an executive officer of an association who intends to obtain residents' consent to the project cost arising from the time the consent to establishing the association is obtained to the time a management and disposal plan is formulated for the first time, shall input necessary matters, such as an improvement plan, into the apportioned charge estimation system, and shall allow the owners of a plot of land or structure to check estimated charge apportioned, and shall notify such information to the owners of a plot of land or structure, individually.

(2) The chairperson of a promoters' committee or an executive officer of an association shall input data conforming to the details of the project cost for which he or she intends to obtain consent from the owners of a plot of land or structure.

(3) "Other matters prescribed by City/Do municipal ordinance relating to the calculation, etc. of the estimated charge" in Article 27 (3) 2 of the Act and "other information specified by City/Do municipal ordinance regarding the calculation of estimated charges, etc." in subparagraph 2 of Article 32 of the Decree means the information yielded pursuant to paragraph (2).

Article 81 (Assistance in Formulation of Management and Disposal Plan)

The Mayor may determine the methods, procedures, and standards necessary to provide assistance referred to in subparagraphs 5 and 6 of Article 75.

Article 82 (Methods and Procedures for Establishing Association with Public Assistance)

(1) Where the Mayor does not organize a promoters' committee as prescribed in Article 31 (4) of the Act and Article 27 (6) of the Decree, he or she shall publicly notify matters necessary for the methods, procedures, etc. for establishing an association, including the following matters:

1. Method of electing the representative of the owners of a plot of land or structure, etc. to organize a consultative body for residents;
2. Roles of each participating entity;
3. Standards for processing affairs at each stage of establishing an association;
4. Other matters necessary to provide assistance in establishing an association.

(2) Where a majority of the owners of a plot of land or structure wish to omit the stage of organizing a promoters' committee as prescribed in subparagraph 12 of Article 7, the head of the Gu shall establish an association in accordance with the methods, procedures, etc. prescribed in paragraph (1).

Article 83 (Preparation of Standards for Budget and Accounting of Improvement Project)

(1) A promoters' committee or an association shall determine and operate regulations related to the processing of budget and accounting and administration affairs in accordance with the methods and procedures prescribed by its articles of association, etc., including the following:

1. Regulations on processing of budgeting and accounting:
 - (a) Compilation and execution of budget;
 - (b) Preparation of a revenue and expenditure budget and a report on the settlement of accounts;
 - (c) Method for managing and collecting revenue, collecting agencies, etc.;
 - (d) Management, payment, etc. of expenditure;
 - (e) Management of contracts and debts;
 - (f) Other matters concerning accounting documents and books;
2. Regulations on processing of administrative affairs:
 - (a) Internal personnel management of full-time executive officers (of the association) and employees;
 - (b) Standards for payment of remuneration, meeting allowance, etc.;
 - (c) Internal affairs and handling of goods;
 - (d) Preservation, management, etc. of documents;
 - (e) Code of conduct of full-time executive officers (of the association) and employees;
 - (f) Other matters necessary for the processing of administrative affairs.

(2) The Mayor may prescribe and publicly notify standard regulations including the matters set forth in the subparagraphs of paragraph (1).

Article 84 (Subsidization of Expenses)

Pursuant to Article 118 (4) of the Act, the Mayor may grant a subsidy to the head of a Gu, as prescribed in Article 8 of the Seoul Metropolitan Government Ordinance on the Management of Local Subsidies, considering the financial ability of the relevant autonomous Gu, within the range of 70 percent of the expenses required for the following affairs: Provided, That, where the head of a Gu directly convenes a general meeting pursuant to Article 44 of the Act, all or part of the required expenses may be subsidized:

1. Expenses required to organize a promoters' committee under Article 118 (2) 1 of the Act;
2. Fee for entrusting public assistance under Article 118 (1) of the Act;
3. Expenses required to assist in establishing an association under Article 82.

Article 85 (Disclosure of Information on Public Assistance)

Public assistants and entrusted assistants shall disclose the following information to the owners of a plot of land or structure, members of an association, and tenants through the clean-up system together with other means:

1. Matters concerning the designation of, and a contract with, the entrusted assistant under Article 118 (1) of the Act;
2. Matters concerning the selection of, and a contract with, a management entity specialized in improvement projects under Article 118 (2) 2 of the Act;
3. Matters concerning the election of members for organization of a promoters' committee and the election of the representative of the owners of a plot of land or structure required to establish an association (limited to cases where the step of organizing a promoters' committee is omitted) under subparagraphs 1 and 7 of Article 75;
4. Matters concerning the administration of the election of executive officers of an association.

Article 86 (Submission of Information)

The chairperson of a promoters' committee or the president of an association shall submit the following information to a public assistant (including an entrusted assistant) for the efficient promotion of affairs related to public assistance by the head of the competent Gu:

1. Matters concerning the holding of meetings of the promoters' committee, residents' general meetings, general meetings of the association, and meetings of the board of directors and the board of representatives of the association;
2. Matters concerning the plans for selecting business entities, such as a contractor, designer, and a management entity specialized in improvement projects, and concerning a contract with them;
3. Other matters prescribed by municipal rules.

CHAPTER 9 SUPPLEMENTARY PROVISIONS

Article 87 (Methods of Disclosing Documents and Bearing of Expenses)

CHAPTER 9 SUPPLEMENTARY PROVISIONS(1) Members of an association and the owners of a plot of land or structure shall pay fees in cash within 10 days from the date the chairperson of the promoters' committee or the project implementer gives a notice on a request for disclosing documents and related information made under Article 124 (4) of the Act.

(2) The amount of fees referred to in paragraph (2) shall be as specified in attached Table 4.

Article 88 (Transfer of Relevant Documents)

(1) Pursuant to Article 125 (2) of the Act, a project implementer other than the Korea Land and Housing Corporation shall transfer the following documents to the head of the competent Gu:

1. Documents related to the public notice on transfer of ownership;
2. Documents related to final cadastral survey;
3. Documents related to liquidation;
4. Documents related to the application for registration;
5. Documents related to appraisal and assessment;
6. Documents related to compensation for loss and expropriation;
7. Documents related to the bearing of costs for installing utility tunnels;
8. Documents related to accounting and contracts;
9. Documents related to accounting audit;
10. Documents related to audits conducted by a general meeting, the board of representatives, the board of directors, and the auditor;
11. Documents related to the sale to dispose of reserved areas and facilities allotted by the authorities in recompense of development outlay.

(2) The transfer of documents under paragraph (1) shall be completed within three months from the date a public notice of transfer is made under Article 86 of the Act, or within two months from the date of discontinuation of an improvement project if the project is discontinued: Provided, That if the head of the competent Gu deems there is any extenuating circumstance, such transfer may be postponed upon application of the project implementer.

Article 89 (Operation and Ratio of Urban and Residential Environment Improvement Fund)

(1) The Urban and Residential Environment Improvement Fund under Article 126 (1) and (4) of the Act (hereinafter referred to as the Improvement Fund") shall be operated and managed by being included in the Housing Project Special Account of the Seoul Metropolitan Government.

(2) The ratio to be accumulated as the Improvement Fund out of the revenue sources of the fund set forth in Article 126 of the Act and Article 95 of the Decree shall be as follows:

1. 30/100 of the sale price of public land in an improvement zone;
2. 50/100 of the amount vested in the local government out of the development charges;
3. 10/100 of the total amount of property tax collected under Article 112 of the Local Tax Act (excluding paragraph (1) 1 of the same Article).

(3) "Purposes specified by this Act and City/Do municipal ordinance" in Article 126 (3) 1 (d) of the Act means the following purposes of use:

1. Expenses for operation of the promoters' committee and the association, service fees including design fees, expenses for taking measures for tenants, and expenses for relocating members of the association;
2. Costs for new construction in a management-type residential environment improvement zone, expenses for operation of organizations, and project costs, for invigoration of the community;
3. Costs for housing improvement to be subsidized under Article 52 (8);
4. Construction costs of an urban improvement-type redevelopment project;
5. Subsidies for expenses used by the promoters' committee and the association;
6. Costs for creating safe residential environment, including prevention of crimes in an improvement zone (limited to an improvement project implemented by a method other than overall demolition method);
7. Project costs for preservation, etc. of old paths, old waterways, and traditional Korean-style houses named Hanok in a housing improvement-type redevelopment zone.

Article 90 (Delegation of Authority)

The Mayor shall delegate the following authority to the head of each Gu:

1. Matters concerning the conclusion of contracts for the sale and purchase of rental housing units constructed by improvement projects and the payment of the price of such purchase and sale at each stage (a contract deposit, intermediate payment and the remainder);
2. Formulation of an improvement plan for an improvement zone designated as a residential environment improvement zone pursuant to the former Act on Temporary Measures for the Improvement of Dwelling and Other Living Conditions for Low-Income Urban Residents before the Act enters into force;
3. Affairs related to the subsidization of expenses used by a promoters' committee or an association of an improvement zone, etc. cancelled pursuant to Article 21 (1) of the Act.

Article 91 (Criteria for Payment of Monetary Reward for Reporting regarding Offering and Acceptance of Money, Valuables, or Entertainment)

(1) The Mayor may pay a monetary reward to a person reporting any act of offering or accepting money, valuables, entertainment, etc. (hereinafter referred to as monetary reward") pursuant to Article 142 of the Act. In such cases, the upper limit of the amount of payment shall not exceed 200 million won.

(2) The Mayor may pay monetary reward to a person who has reported or accused any act set forth in the subparagraphs of Article 132 of the Act after the adoption of a resolution by the committee for deliberation of rewards for reporting (hereinafter referred to as "deliberative committee"), if suspension of prosecution, suspension of sentence, or suspension of execution, or declaration of punishment is final and conclusive for the case reported or accused.

(3) A person who intends to report a person who conducts any act set forth in the subparagraphs of Article 132 of the Act shall submit a written report on the act of offering or accepting money, valuables, entertainment, etc. in attached Form 6 to the Mayor along with materials substantiating the reported matter: Provided, That the reported matter shall not be investigated if the same matter has already been reported and the processing thereof is in progress or terminated.

(4) The monetary reward shall be paid within the budget of the year in which payment thereof is decided pursuant to paragraph (2).

(5) Detailed matters concerning the organization of the deliberative committee, criteria for payment, etc. for the payment of monetary reward may be prescribed by municipal rules.