SEOUL METROPOLITAN GOVERNMENT ORDINANCE ON URBAN DEVELOPMENT

Enactment No. 3873, Jun. 15, 2001
Partial Amendment No. 4031, Sep. 12, 2002
Amendment of Other Laws No. 4131, Jul. 25, 2003
Amendment of Other Laws No. 4448, Nov. 20, 2006
Partial Amendment No. 4532, May. 29, 2007
Amendment of Other Laws No. 4588, Dec. 26, 2007
Amendment of Other Laws No. 4616, Apr. 03, 2008
Amendment of Other Laws No. 4629, Apr. 03, 2008
Partial Amendment No. 4862, Sep. 29, 2009
Amendment of Other Laws No. 6016, Oct. 08, 2015
Partial Amendment No. 6122, Jan. 07, 2016
Partial Amendment No. 6238, May. 19, 2016
Partial Amendment No. 6595, Jul. 13, 2017
Amendment of Other Laws No. 6851, Mar. 22, 2018
Partial Amendment No. 6915, Oct. 04, 2018
Amendment of Other Laws No. 6959, Jan. 03, 2019
Amendment of Other Laws No. 7782, Dec. 31, 2020
Amendment of Other Laws No. 8127, Sep. 30, 2021

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

CHAPTER I GENERAL PROVISIONSThe purpose of this Ordinance is to provide for matters mandated under the Urban Development Act and the Enforcement Decree of the same Act and matters necessary for the implementation thereof. <Amended on Jul. 13, 2017>

[This Article Wholly Amended on Sep. 29, 2009]

CHAPTER II DESIGNATION OF URBAN DEVELOPMENT AREAS

Article 2 (Request for Designation of Urban Development Areas)

CHAPTER II DESIGNATION OF URBAN DEVELOPMENT AREASWhen the head of an autonomous Gu (hereinafter referred to as the "head of a Gu") of the Seoul Metropolitan Government requests the Mayor of the Seoul Metropolitan Government (hereinafter referred to as the "Mayor") to designate an urban development area pursuant to Article 3 (4) of the Urban Development Act (hereinafter referred to as the "Act"), where an area proposed to be designated as an urban development area straddles at least two autonomous Gus, the head of a Gu shall request the Mayor to designate an urban development area along with the written consent of other heads of Gus, excluding the head of the Gu who requests the designation of an urban development area. <Amended on May 19, 2016>

[This Article Wholly Amended on Sep. 29, 2009]

Article 3 (Holding of Public Hearings)

(1) Where the Mayor holds a public hearing to designate an urban development area pursuant to Article 7 of the Act, the persons interested, such as residents, owners of land or buildings, etc., in an urban development area may submit their opinions on the designation of an urban development area to the Mayor within 14 days from the date a public hearing is held. In such cases, their opinions shall be submit in writing by e-mail.

(2) The Mayor may require a person who presides over a public hearing to examine the opinions heard at a public hearing and then submit his or her opinion on the examination. <Amended on May 19, 2016>

(3) The Mayor may reimburse necessary expenses, such as an allowance or travel expenses, etc., to the persons concerned, such as a person who presides over a public hearing and speakers participating in a public hearing, within the budget: Provided, That this shall not apply where a public official attends a public hearing in direct connection with his or her duties. <Amended on May 19, 2016>

(4) Where the Mayor deems opinions submitted pursuant to paragraph (1) or opinions heard at a public hearing reasonable, he or she shall reflect such opinions and advise presenters of opinions of whether he or she reflects their opinions in writing or via e-mail or by other appropriate means.

[This Article Wholly Amended on Sep. 29, 2009]

CHAPTER III EXECUTION OF URBAN DEVELOPMENT PROJECT

Article 4 (Proposal for Designation of Urban Development Areas)

CHAPTER III EXECUTION OF URBAN DEVELOPMENT PROJECTWhere the head of a Gu decides to accept the designation of an urban development area proposed pursuant to Article 11 (5) of the Act and notifies the person who has proposed the designation of the fact, he or she shall request the Mayor to designate an urban development area within six months from the date of notification: Provided, That where he or she fails to request designation within the period due to extenuating circumstances, he or she may extend the period for up to three months. <Amended on May 19, 2016>

[This Article Wholly Amended on Sep. 29, 2009]

Article 5 (Detailed Standards for Preparation of Articles of Association)

Detailed standards for preparation of the articles of association of an association pursuant to Article 29 (2) of the Enforcement Decree of the Urban Development Act (hereinafter referred to as the "Decree") shall be as follows: <Amended on May 19, 2016; Jul. 13, 2017>

1. The name of the association shall use the name of the relevant project area followed by "urban development project association";
2. A person who has been recommended by landowners from among at least seven landowners entered jointly in a written application or selected at a general meeting of residents shall be selected as the representative of applicants;
3. The seat of the main office shall be located in the jurisdiction of the relevant Gu to which an urban development area belongs;
4. The number of members of an association shall be calculated based on a list of members of an association attached to a written application;
5. An association shall have executive officers to meet the following standards:
(a) One association president;
(b) At least three directors but not more than five directors (where the owners of land, etc. are more than 100 persons, at least five directors but not more than 15 directors);
(c) Two or three auditors;
6. Matters concerning each general meeting shall be as follows:
(a) The president of an association shall call a general meeting and the representative of applicants for approval of the establishment of an association shall call the inaugural general meeting;
(b) An ordinary general meeting shall be held at least once a year and an extraordinary general meeting shall be held where the president of an association deems it necessary and at least one-fifth of the total number of members of an association calls for it;
(c) The purpose, agenda items, date, time, and place of an ordinary general meeting and extraordinary general meeting called by the president of an association shall be determined through a resolution of the board of directors;
(d) Where a general meeting is held, a notice in which the purpose, agenda items, date, time, and place of a general meeting are mentioned shall be sent out to the members of an association seven days before the general meeting is held;
(e) A general meeting shall be convened with the attendance of a majority of the members of an association, and resolutions shall be adopted by the affirmative vote of a majority of those present;
(f) The minutes shall be prepared regarding the proceedings of a general meeting and shall be kept in the main office of an association;
7. Matters concerning a meeting of the representatives shall be as follows:
(a) Where an association has at least 100 members, a meeting of the representatives may be formed;
(b) The representatives shall be at least 10 percent of the total number of members of an association and shall be elected at a general meeting from among the members of an association;
(c) The term of office of a representative shall not exceed four years and the term of office of a representative who fills a vacancy shall be the remaining period of his or her predecessor;
(d) Where a general meeting is held, a notice in which the purpose, agenda items, date, time, and place of a general meeting are stated shall be sent out to the members of an association seven days before the general meeting is held;
(e) Where a meeting of the representatives is called, a notice in which the purpose, agenda items, date, time, and place of a meeting are stated shall be sent out to the representatives seven days before the meeting of the representatives is held;
8. Appraisal of land conducted in connection with the designation of a substitute lot and settlement shall be determined through deliberation of the Land Appraisal Council based on the amount appraised by at least two appraisal business operators as prescribed by the Act on the Public Announcement of Real Estate Values;
9. Regarding remuneration for executive officers, only full-time employees shall be paid;
10. Other necessary matters shall be prescribed by rule of the Seoul Metropolitan Government.

[This Article Wholly Amended on Sep. 29, 2009]

Article 6 (Standards of Extremely Small Land)

The area of extremely small land referred to in Article 62 (2) of the Decree shall be less than 90 square meters.

[This Article Wholly Amended on Sep. 29, 2009]

Article 7 (Inspection of Completion)

(1) The Mayor shall conduct an inspection of completion of Class 1 and Class 2 structures under the Special Act on the Safety Control and Maintenance of Establishments and important structures prescribed by rule of the Seoul Metropolitan Government by entrusting a specialized safety inspection agency registered with the Mayor pursuant to Article 28 of the same Act with the inspection of completion: Provided, That this shall not apply to matters prescribed separately by rule of the Seoul Metropolitan Government. <Amended on May 19, 2016; Jul. 13, 2017; Dec. 31, 2020>

(2) A project manager shall bear expenses incurred in the inspection of completion, etc. <Amended on May 19, 2016>

(3) Detailed matters necessary for selecting an inspector of completion, bearing expenses for an inspection of completion, etc. shall be prescribed by rule of the Seoul Metropolitan Government.

[This Article Wholly Amended on Sep. 29, 2009]

Article 8 (Collection and Grant of Settlement Moneys)

(1) Where the Seoul Metropolitan Government executes an urban development project by means of land substitution, settlement money shall be collected and granted by any of the following standards: <Amended on May 19, 2016>

1. Settlement money pursuant to Article 41 (1) of the Act shall be the price determined through deliberation of the Land Appraisal Council pursuant to Article 28 (4) of the Act after appraisal of an authorized appraisal agency;
2. Settlement money to be collected or granted according to a land substitution plan or disposition of land substitution shall be the amount calculated by multiplying the difference between the area with rights and that of a substitute lot by the appraised price;
3. In principle, settlement money collected or granted shall be collected or granted from the day following the date of disposition of land substitution;
4. Where settlement money collected has not been paid within the deadline for payment, it shall be collected with added interest equivalent to 10 percent a year of settlement money defaulted from the overdue date: Provided, That this shall not apply in any of the following:
   (a) Where a notice for payment has been delivered erroneously;
   (b) State-owned land or public-owned land;
   (c) Cases falling under reasons prescribed by rule of the Seoul Metropolitan Government;
5. Where a person who has received a substitute lot of land subject to payment of settlement money collected fails to pay settlement money, registration shall be entrusted after credit equivalent to settlement money has been secured.

(2) Except as provided in this Ordinance, necessary matters concerning the collection and grant of settlement money shall be prescribed by rule of the Seoul Metropolitan Government.

[This Article Wholly Amended on Sep. 29, 2009]

CHAPTER IV SPECIAL ACCOUNTS FOR URBAN DEVELOPMENT

Article 9 (Establishment of Special Accounts)

CHAPTER IV SPECIAL ACCOUNTS FOR URBAN DEVELOPMENT(1) The Seoul Metropolitan Government Special Accounts for Urban Development (hereinafter referred to as the "Special Accounts") shall be established pursuant to Articles 60 (1) and 61 (3) of the Act.

(2) Examples of the general accounts shall apply mutatis mutandis to matters not prescribed by this Ordinance concerning the operation of the Special Accounts.

(3) The duration of existence of special accounts shall be by December 31, 2023. <Newly Inserted on Oct. 4, 2018>

[This Article Wholly Amended on Sep. 29, 2009]

Article 10 Deleted. <Jan. 3, 2019>

Article 11 (Use of Special Accounts)

(1) The use of the Special Accounts shall be as follows: <Amended on Jan. 7, 2016; May 19, 2016>

1. Costs of an urban development project executed by the Mayor (all expenses required for the execution of a project, such as design fees, compensation costs, construction costs, resettlement subsidies, etc.);
2. Costs of an urban planning infrastructure project executed by the Mayor (including all expenses incurred in installing, maintaining, and improving urban planning infrastructure pursuant to subparagraph 7 of Article 2 of the National Land Planning and Utilization Act and the purchase price pursuant to Article 47 (2) of the Act; hereinafter the same shall apply);
3. Costs of an urban planning infrastructure project executed by the head of a Gu for which the Mayor deems support from the Special Accounts is necessary;
4. Subsidizing and financing of construction expenses for an urban development project and urban planning infrastructure project executed by a person other than the Mayor;
5. Subsidizing operating expenses to inducing facilities, such as high-tech information and communications, scientific, cultural facilities, etc., for which the Mayor deems support is necessary in order to develop a model city;

6. Subsidizing operating expenses to an energy conserving and eco-friendly development project, for which the Mayor deems support is necessary for a new town, etc.;
7. Where an urban development project of an existing housing complex is executed by remodelling method, subsidizing and financing of construction expenses for such a project;
8. Payment of the principal and interest of urban development bonds;
9. Payment of the principal and interest of land redemption bonds issued by the Mayor pursuant to Article 23 of the Act;
10. Expenses for investigation and research on the designation of an urban development area, formulation of a plan, and development of a system;
11. Other expenses for creating, operating, and managing the Special Accounts.
(2) Where the Mayor or the head of a Gu executes an urban planning infrastructure project in land alloted by the authorities in compensation for development outlay created by the previous land compartmentalization rearrangement project, he or she may appropriate land allotted by the authorities in compensation for development outlay in kind for operating expenses for the relevant urban planning infrastructure.
(3) Notwithstanding the provisions of paragraph (1), the Mayor shall give preferential support from the Special Accounts to a project for public facilities which were planned at the time a land compartmentalization rearrangement project is executed in a land compartmentalization rearrangement project area in accordance with the previous Land Compartmentalization and Rearrangement Projects Act, but have not been constructed yet. <Amended on May 19, 2016>
[This Article Wholly Amended on Sep. 29, 2009]

Article 12 (Scope of Subsidizing from Special Accounts)

Cases available for subsidies from the Special Accounts pursuant to Article 61 of the Act may be prescribed by rule within the extent referred to in any of the following: <Amended on May 19, 2016>
1. Construction expenses for an urban development project or urban planning infrastructure project executed by the head of a Gu;
2. Construction expenses referred to in any of the following items executed by a person other than subparagraph 1:
(a) Not more than 1/2 of construction expenses required for the construction of urban planing infrastructure of an urban development project;
(b) Construction expenses for an urban planing infrastructure project pursuant to subparagraph 10 of Article 2 of the National Land Planning and Utilization Act.
[This Article Wholly Amended on Sep. 29, 2009]

Article 13 (Limits of Financing from Special Accounts)

Cases available for financing from the Special Accounts pursuant to Article 61 of the Act may be prescribed by rule within the extent referred to in any of the following: <Amended on May 19, 2016>
1. Not more than 1/2 of construction expenses for an urban planning infrastructure project pursuant to subparagraph 10 of Article 2 of the National Land Planning and Utilization Act executed by the head of a Gu;
2. Not more than 1/3 of construction expenses referred to in any of the following items executed by a person other than subparagraph 1:
(a) Construction expenses required for the construction of urban planning infrastructure of an urban development project;
(b) Construction expenses for an urban planning infrastructure project pursuant to subparagraph 10 of Article 2 of the National Land Planning and Utilization Act.
[This Article Wholly Amended on Sep. 29, 2009]

Article 14 (Conditions of Financing from Special Accounts)

(1) Where a loan is used for purpose other than its original purpose, the Mayor may fully or partially recover the loan even before the date for redemption.
(2) The period for redemption, interest rate, and overdue interest, etc. of a loan shall be prescribed by rule of the Seoul Metropolitan Government.
(3) A loan shall be in accordance with an agreement made by and between the Mayor and the head of an agency subject to financing (hereinafter referred to as "financing agency").
[This Article Wholly Amended on Sep. 29, 2009]

CHAPTER V URBAN DEVELOPMENT BONDS

Article 15 (Issuance of Urban Development Bonds)

CHAPTER V URBAN DEVELOPMENT BONDS(1) Where the Mayor issues urban development bonds (hereinafter referred to as "bonds") pursuant to Article 83 of the Decree, he or she shall issue bonds after designating the Korea Securities Depository in accordance with the provisions of Article 294 of the Financial Investment Services and Capital Markets Act as a registration agency. <Amended on May 19, 2016>

(2) The Mayor may entrust the Seoul Metropolitan Government Treasury with the business concerning registration of bonds pursuant to paragraph (1).
(3) The Mayor shall redeem bonds in equal installments with a seven-year grace period and he or she shall determine the interest rate thereon, which shall not exceed five percent per annum, with approval of the Minister of the Interior and Safety pursuant to Article 124 of the Local Autonomy Act. <Amended on Oct. 8, 2015; May 19, 2016; Mar. 22, 2018>
[This Article Wholly Amended on Sep. 29, 2009]

Article 16 (Period for Preservation of Deeds of Purchase and Certificates of Purchase)
The period for preservation of specimen of bonds, interim redemptions, redemptions at maturity, deeds of purchase, and certificates of purchase of the unused bonds shall be prescribed by rule of the Seoul Metropolitan Government.
[This Article Wholly Amended on Sep. 29, 2009]

Article 17 (Purchasing Amount of Bonds)
The purchasing amount of bonds shall be the amount referred to in subparagraph 1 of attached Table 1 of the Decree.
[This Article Wholly Amended on Sep. 29, 2009]

CHAPTER VI OPERATION OF LAND APPRAISAL COUNCIL

Article 18 (Establishment of Council)
CHAPTER VI OPERATION OF LAND APPRAISAL COUNCILThe Mayor shall establish and operate the Seoul Metropolitan Government Land Appraisal Council (hereinafter referred to as the "Council") to appraise the price of land created, etc. pursuant to Article 28 (3) of the Act.
[This Article Wholly Amended on Sep. 29, 2009]

Article 19 (Functions)
The Council shall deliberate on each of the following matters:
1. Matters concerning the price of land for the formulation of a land substitution plan;
2. Matters concerning the price of land for determination of settlement money;
3. Matters concerning the price of land for determination of settlement money of a non-substitute lot;
4. Other matters concerning the price of land deemed necessary for executing a project.
[This Article Wholly Amended on Sep. 29, 2009]

Article 20 (Composition)
(1) The Council shall be comprised of not more than 25 members, including one chairperson and one vice chairperson.
(2) The Director-General of Urban Planning Bureau shall be the chairperson and the vice chairperson shall be elected by the Council from among its members.
(3) The officer in charge of the budget, the head of Finance Section, the head of Urban Planning Section, the head of Land Management Section, the officer in charge of road administration, and the officer in charge of road management shall be ex officio members.
(4) The Mayor shall appoint members from any of the following persons:
1. A person who has expert knowledge concerning land appraisal;
2. A person who has profound knowledge or experience in urban development projects;
3. A landowner in the relevant urban development area.
[This Article Wholly Amended on Sep. 29, 2009]

Article 21 (Term of Office)
The term of office of an appointed member shall be two years and he or she may be reappointed only once: Provided, That the term of office of a member who fills a vacancy shall be the remaining period of his or her predecessor. <Amended on May 19, 2016>
[This Article Wholly Amended on Sep. 29, 2009]

Article 21-2 (Dismissal of Members)
If a member falls under any of the following subparagraphs, the Mayor may dismiss the relevant member before his or her term of office expires:
1. Where the member discloses any confidential information that he or she has learned in the course of performing his or her duties of the Council or use such information for personal purposes;
2. Where there is a misdeed relevant to his or her duties of the Council or there occurs any misdeed deemed inappropriate to keep his or her membership;
3. Where the member expresses his or her intention to be dismissed;

4. Where the member is unable to perform his or her duties due to any disease that requires long-term care or overseas travel for at least six months;
5. Where the member is deemed inappropriate to be a member due to neglect of duties, injury to dignity, or other causes.
[This Article Newly Inserted on Jul. 13, 2017]

Article 22 (Duties of Chairperson)

(1) The chairperson shall represent the Council and have overall control over its affairs.
(2) The vice chairperson shall assist the chairperson and shall perform duties of the chairperson for him or her where the latter is unable to perform his or her duties owing to unavoidable circumstances; and where both the chairperson and the vice chairperson are unable to perform duties of the chairperson due to extraordinary circumstances, a person who has been appointed in advance shall perform duties of the chairperson for him or her.
[This Article Wholly Amended on Sep. 29, 2009]

Article 23 (Meetings)

(1) The chairperson shall call a meeting, if deemed necessary, and shall preside over the meeting.
(2) A meeting of the Council shall be comprised of at least 13 members designated by the chairperson at the time of each meeting.
(3) A meeting of the Council shall be convened with the attendance of a majority of the members pursuant to paragraph (2) and resolutions shall be adopted by the affirmative vote of a majority of those present.
[This Article Wholly Amended on Sep. 29, 2009]

Article 24 (Administrative Secretary and Clerk)

(1) The administrative secretary and clerk shall be assigned to the Council to conduct its business.
(2) The Director of Urban Management Division shall be the administrative secretary and a Grade V official in charge shall be the clerk.
(3) The clerk shall prepare and keep the minutes.
[This Article Wholly Amended on Sep. 29, 2009]

Article 25 (Allowance and Travelling Expenses)

The Mayor may reimburse an allowance and travel expenses, etc. to members present at a meeting of the Council within the budget: Provided, That this shall not apply where a public official attends a meeting in direct connection with his or her duties. <Amended on May 19, 2016>
[This Article Wholly Amended on Sep. 29, 2009]

CHAPTER VII SUPPLEMENTARY PROVISIONS

Article 26 (Transfer of Relevant Documents)

CHAPTER VII SUPPLEMENTARY PROVISIONS(1) Documents or drawings that a project manager who is not an administrative agency ought to transfer when he or she completes or cancels an urban development project pursuant to Article 72 (4) of the Act shall be as follows: <Amended on Dec. 31, 2020>
1. Documents and drawings (including A3 reduced drawings);
2. Computer-aided design (CAD) for as-built drawings;
3. 16 mm roll microfilm for documents and 35 mm roll microfilm for drawings;
4. Compact disks (CD-ROM) for documents and drawings.
(2) A project manager who is not an administrative agency shall submit relevant documents in accordance with the provisions of paragraph (1) to the head of the competent Gu, and the head of the Gu shall transfer a copy of documents submitted to the Mayor. <Amended on May 19, 2016>
[This Article Wholly Amended on Sep. 29, 2009]

Article 27 (Delegation and Entrustment of Authority)

(1) The Mayor shall delegate any of the following affairs pertaining to his or her authority to the head of a Gu pursuant to Article 79 (2) of the Act:
1. Affairs concerning approval of the establishment of an association pursuant to Article 13 of the Act;
2. Affairs concerning the supervision of construction pursuant to Article 20 of the Act.
(2) Affairs delegated under paragraph (1) shall be deemed inclusive of affairs incidental thereto unless there are special provisions. <Amended on May 19, 2016>
(3) Where the head of a Gu conducts affairs delegated pursuant to paragraph (1), he or she shall report the result thereof to the Mayor.
(4) The Mayor may partially entrust a financing agency with the affairs concerning financing from the Special Accounts for urban development.

[This Article Wholly Amended on Sep. 29, 2009]