

SEOUL METROPOLITAN GOVERNMENT ORDINANCE ON PUBLIC PROPERTY AND COMMODITY MANAGEMENT

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Partial Amendment No. 6399, Jan. 05, 2017
Partial Amendment No. 6427, Mar. 23, 2017
Partial Amendment No. 6591, Jul. 13, 2017
Amendment of Other Laws No. 6693, Jan. 04, 2018
Amendment of Other Laws No. 6700, Jan. 04, 2018
Partial Amendment No. 6835, Mar. 22, 2018
Amendment of Other Laws No. 6851, Mar. 22, 2018
Amendment of Other Laws No. 6899, Jul. 19, 2018
Partial Amendment No. 7076, Mar. 28, 2019
Partial Amendment No. 7136, May. 16, 2019
Partial Amendment No. 7156, May. 16, 2019
Amendment of Other Laws No. 7423, Dec. 31, 2019
Partial Amendment No. 7543, Mar. 26, 2020
Amendment of Other Laws No. 7782, Dec. 31, 2020
Amendment of Other Laws No. 7912, Mar. 25, 2021
Partial Amendment No. 7994, May. 20, 2021
Amendment of Other Laws No. 8127, Sep. 30, 2021
Partial Amendment No. 8169, Sep. 30, 2021
Amendment of Other Laws No. 8235, Dec. 30, 2021
Partial Amendment No. 8399, Apr. 28, 2022
Partial Amendment No. 8462, Oct. 17, 2022
Amendment of Other Laws No. 8530, Dec. 30, 2022
Amendment of Other Laws No. 8862, Jul. 24, 2023

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

CHAPTER I GENERAL PROVISIONS The purpose of this Ordinance is to ensure the efficient and appropriate preservation and management of public property and commodities of the Seoul Metropolitan Government by providing for matters mandated by the Public Property and Commodity Management Act and the Enforcement Decree thereof and for those necessary for the enforcement thereof.

[This Article Wholly Amended on May 28, 2009]

Article 1-2 (Relationship to Other Ordinances of Seoul Metropolitan Government)

This Ordinance shall apply to the management and disposal of public property and commodities, except as otherwise provided in other Ordinances of the Seoul Metropolitan Government.

[This Article Newly Inserted on Jan. 7, 2016]

Article 2 (Responsibility for Management)

(1) The Mayor of the Seoul Metropolitan Government (hereinafter referred to as the "Mayor") shall efficiently administer and manage all public property and commodities thereof.

(2) The Mayor may designate the Director-General of Finance as the officer responsible for property and commodity management, the Director of City Asset Management Division as the assistant officer responsible for property management, the Director of Finance Division as the assistant officer responsible for commodity management and a property management officer, a commodity management officer, etc. for each division and the position responsible thereof and the scope of duties shall be prescribed by rule of the Seoul Metropolitan Government. <Amended on Jul. 28, 2011; Mar. 15, 2012>

[This Article Wholly Amended on May 28, 2009]

Article 3 (Delegation of Management Affairs)

(1) The Mayor may delegate the management of Seoul Metropolitan Government-owned property and commodities to the head of an autonomous Gu (hereinafter referred to as "head of a Gu"), the Secretary-General of the Seoul Metropolitan Council and the heads of offices under the jurisdiction of the Seoul Metropolitan Government pursuant to Article 14 of the Public Property and Commodity Management Act (hereinafter referred to as the "Act"). <Amended on Jul. 13, 2017>

(2) The Mayor pursuant to Article 14 of the Act shall delegate the following business affairs on property managed by the Director of City Asset Management Division and property under the jurisdiction of special accounts for housing projects (limited to accounts for urban and residential environment improvement projects) among public property for preservation and general property to the head of a Gu in which the property is located: <Amended on Jul. 28, 2011; Mar. 15, 2012; Jul. 19, 2018>

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

2. Matters concerning the disposal of property in the location for a residential environment improvement project and a redevelopment project defined in Article 2 of the Act on the Improvement of Urban Areas and Residential Environments;

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

(a) The book value of property which is less than 500 million won (Provided, That where property that is collectively disposed of is connected or located in the same project location or land, a building, etc. the book value of each property shall be aggregated);

(b) Land the size of which is less than 330 square meters (Provided, That the size of land connected or located in the same project location shall be aggregated).

(3) The Mayor shall delegate the management of public property under the jurisdiction of the Director of River Management Department to the head of a Gu where the property is located pursuant to Article 14 of the Act. <Newly Inserted on Jul. 28, 2011>

(4) Prior approval shall be obtained from the Mayor where public property managed by the head of a Gu upon delegation under paragraph (2) satisfies any of the following: <Newly Inserted on Jul. 28, 2011; Jul. 13, 2017>

1. Where the head of a Gu intends to lease property with a book value of at least 500 million won (The sum of each book value in case the properties are connected, are in the same project zone or both the building and land are disposed) or permits a person to use or earn a profit on such property;

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

3. Where the head of a Gu intends to dispose of property under paragraph (2) 3.

(5) The head of a Gu delegated with management of a Seoul Metropolitan Government-owned property under paragraph (1) or any other Ordinance of the Seoul Metropolitan Government shall consult with the Mayor in advance where such head intends to grant permission to use or profit from such property or to lend such property (including cases of concluding a contract to which such Gu is the other party) for any purpose or use other than the intended purpose or use under delegation. <Newly Inserted on Mar. 23, 2017; Jul. 13, 2017>

[This Article Wholly Amended on May 28, 2009]

CHAPTER II COMMON PROVISIONS ON PUBLIC PROPERTY

Article 3-2 (Entrustment of Management and Disposal of General Property)

CHAPTER II COMMON PROVISIONS ON PUBLIC PROPERTY Notwithstanding Article 3 (2), where the Mayor deems necessary for the efficient management and disposal, the Mayor may entrust a person falling under any subparagraph of Article 48-2 (1) of the Enforcement Decree of the Public Property and Commodity Management Act (hereinafter referred to as the "Decree") with business affairs concerning the management and disposal of the relevant property. In such cases, delegation pursuant to Article 3 (2) shall be deemed withdrawn. <Amended on Jul. 13, 2017>

[This Article Newly Inserted by Ordinance No. 5162, Mar. 15, 2012]

Article 4 (Composition and Operation of Public Property Deliberative Council)

(1) The qualification requirements for civilian members of the Public Property Deliberative Council pursuant to Article 7-2 (1) 3 of the Decree (hereinafter referred to as the "Deliberative Council") shall be as follows. One particular sex shall not exceed 6/10 of the Council members: <Amended on Sep. 29, 2011; Jan. 7, 2016; Jul. 13, 2017; Oct. 17, 2022>

1. A person who has qualifications as a technician (including a certified architect) and has been employed in the relevant field for at least three years;
2. A person who has been employed as a full-time instructor in a college pursuant to the Higher Education Act in a related field such as jurisprudence, public administration, accounting, civil engineering, or architectural engineering;
3. A person who has served as a public official in a State agency or local governments and has knowledge of and experience in the relevant field;
4. Deleted. <Jan. 7, 2016>

(2) Any member other than civilian members shall be appointed from among Grade IV or higher public officials employed by the office of the Seoul Metropolitan Government or its affiliated offices. <Amended on Jan. 7, 2016>

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

(4) The term of office of a member shall be a period during which the relevant public official holds office and the term of office of a member other than a public official shall be two years from the date of commission or appointment and such member may be recommissioned or reappointed. <Amended on Sep. 29, 2011>

(5) The Deliberative Council shall prepare and retain the minutes and resolutions on deliberations; and where the Deliberative Council receives a request for disclosure of the minutes and resolutions on deliberations, disclosure shall be provided, as prescribed by rule of the Seoul Metropolitan Government: Provided, That this shall not apply to the part concerning personally identifiable information, such as the name and resident registration number, where the disclosure of which is deemed to be likely to violate the fairness of resolutions and deliberations. <Newly Inserted on Sep. 29, 2011; Jul. 13, 2017>

(6) The Mayor may revoke the appointment of any member who falls under any of the following subparagraphs: <Newly Inserted by Ordinance No. 6064, Jan. 7, 2016>

1. Where the member intends to revoke appointment;
2. Where it becomes difficult for the member to perform duties due to a disease requiring long-term treatment, overseas travel for at least six months, etc.;
3. Where the member has disclosed any confidential information that was attained in the course of performing duties as a member of the Deliberative Council or has used such information for personal purposes;
4. Where the member engages in misconduct relating to the duties as a member of the Deliberative Council or any other misconduct that
5. Where the member satisfies any of the following: a person in whose case five years have not elapsed since imprisonment without labor or a more severe punishment was declared by a court has completely been executed or the non-execution of such sentence became final; a person in whose case two years have elapsed since the suspension period of the execution of imprisonment without labor or a more severe punishment declared by a court was terminated; a person who is under a suspended sentence of imprisonment without labor or a more severe punishment declared by a court;
6. Where the member is deemed unsuitable to serve as a member of the Deliberative Council due to negligence of duty, loss of dignity, etc.

(7) The operation and functions of the Deliberative Council and other matters necessary for the management thereof shall be prescribed by rule of the Seoul Metropolitan Government. <Amended on Sep. 29, 2011; Jan. 2, 2015; Jan. 7, 2016; Mar. 28, 2019>
[This Article Wholly Amended on May 28, 2009]

[Title Amended on Mar. 28, 2019]

Article 4-2 (Functions of Public Property Deliberative Council)

(1) The Deliberative Council shall deliberate on each of the following matters in accordance with Article 16 of the Act: <Amended by Ordinance No. 8462, Oct. 17, 2022>

1. Where a mid-term public property management plan or a public property management plan is formulated or amended pursuant to Article 10 of the Act and Article 10-2 of the Act;
2. Change or abolition of use pursuant to Article 11 of the Act;
3. Where any property is transferred between accounts gratuitously pursuant to the proviso of Article 12;
4. Where usage fees or rental fees are reduced or exempted pursuant to Article 24 or 34 or other laws;
5. Following matters pursuant to Article 16 (2) 6. of the Act:
 - a. Matters concerning acquisition and disposal of public property;
 - b. Matters concerning the amount of private contract purchase price of property exceeding 50 million won in Standard price determined in Article 7 (7) of the Decree (Hereinafter referred to as "standard price");

c. Where the standard price of the property including area of land or the building increases or decreases by over 30% of the standard price after deliberation by the Council (Shall not include changes in contract price during construction due to price fluctuation);

d. Determination of rent and sale of entrustment development property and fees to entrusted institutions pursuant to Article 48 (4) of the Decree;

e. Constructions of permanent facilities pursuant to Article 9 (1) 11 of the Decree;

f. Other matters where property manager deems necessary.

(2) Notwithstanding Paragraph (1), the deliberation of the Council may be omitted on following matters. <Amended on, Oct. 17, 2022>

1. The acquisition and disposal of property under any subparagraph of Article 7 (3) of the Decree;

2. The acquisition and disposal of land with the area less than the minimum area that can be partitioned into allotments pursuant to Article 57 (1) of the Building Act;

3. The acquisition and disposal of property with the base price of up to 500 million won;

4. The change or abolition of the use of property required to be disposed of under other statutes, including the Act on Acquisition of and Compensation for Land for Public Works Projects.

[This Article Newly Inserted on Mar. 28, 2019]

Article 5 (Public Property Management Register)

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

[This Article Wholly Amended on May 28, 2009]

Article 6 (Increase, Decrease, and Current Conditions of Property)

Pursuant to Article 92 of the Act and Article 52 of the Decree, matters regarding the increase, decrease and current conditions of public property; the increase, decrease and present value of major commodities; and other significant matters for financial operations shall be disclosed to residents at least once each fiscal year; and matters necessary for the form for providing such disclosure shall be prescribed by rule of the Seoul Metropolitan Government. <Amended on May 16, 2019>

[This Article Wholly Amended on May 28, 2009]

[Title Amended on May 16, 2019]

Article 7 (Investigation of Actual Conditions)

(1) A property management officer shall investigate the actual conditions of public property at least once every year pursuant to Article 44 (2) of the Act for the management of such property. <Amended on Jul. 13, 2017>

(2) Where a property management officer investigates the actual conditions of public property under paragraph (1), the following matters shall be investigated: <Amended on Oct. 4, 2013>

1. Management condition of public property pursuant to Article 4 of the Act;

2. Whether user fees and rent are collected;

3. Details of nonpayment of user fees and rent;

4. Whether public property is used without permission;

5. Whether public property has been subleased or the right to public property has been disposed of;

6. Whether public property is used for the intended purpose or contract;

7. Whether the original state of public property has been changed;

8. Whether a permanent structure such as an unauthorized building has been built;

9. Other necessary matters.

(3) Where a property management officer investigates the actual condition of public property, the following matters shall be verified; a record of the details thereof shall be provided in a public property management register or electronic file; for the case of sale or lease of public property, special attention shall be provided thereto; and management of such property shall be thorough:

<Amended on Oct. 4, 2013>

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

2. Property located in a residential environment improvement project zone or a housing redevelopment project zone;

3. Insignificant property for which the preservation is of no value;

4. The use of property of which is impossible because such property is located on the land of any other person;

5. Property involved in proceedings or any other dispute as to ownership;

6. Property for which the payment of user fees or rent has not been made.

(4) Where a property management officer discovers matters requiring corrections as a result of investigation of the actual conditions of public property under paragraph (1), full attention shall be provided to the management of public property, such as

formulating a necessary action plan including the following matters and immediately making corrections: <Amended on Oct. 4, 2013>

1. Imposition of compensation;
2. Orders to return the property to its original state and administrative dispositions;
3. Countermeasures against nonpayment of user fees or rent.

[This Article Wholly Amended on May 28, 2009]

Article 8 (Aggregation of Property)

Dispersed property the management of which is inefficient shall be disposed of unless necessary or shall be aggregated to the furthest extent to reduce management expenses.

[This Article Wholly Amended on May 28, 2009]

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

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

(2) Any public property which is deemed to have neither the possibility of increase in value nor preservation value shall be disposed of by sale; and any other highly-profitable property shall thereby be acquired: Provided, That this shall not apply to any land which is forest land or which is located in a prearranged area for land compartmentalization rearrangement or a prearranged area for establishment of public facilities.

[This Article Wholly Amended on May 28, 2009]

Article 10 (Use of Proceeds from Sale)

The Mayor, where there is a sale of any public property, shall endeavor to appropriate the proceeds from such sale for the acquisition, purchase, etc. of another new public property equivalent to the sale of the public property.

[This Article Wholly Amended on May 28, 2009]

CHAPTER III ACQUISITION AND DISPOSAL OF PUBLIC PROPERTY

Article 11 (Public Property Management Plan)

CHAPTER III ACQUISITION AND DISPOSAL OF PUBLIC PROPERTYArticle 11 (Public Property Management Plan) (1) The Mayor shall annually formulate a public property management plan and obtain approval thereof from the Seoul Metropolitan Council (hereinafter referred to as the "Seoul Council") before the budget is approved after undertaking the required prior procedures, such as investment assessment and the Council. The same shall also apply where the Mayor amends or revokes a public property management plan. <Amended on Jul. 28, 2011; Jan. 7, 2016; Jul. 14, 2016; Jul. 13, 2017; Oct. 17, 2022>

(2) Public property management plan shall be formulated for the following properties pursuant to Article 7 (1) of the Decree:

<Amended on Oct. 17, 2022>

1. Properties with standard price exceeding the following:

- a. Acquisition: 2 billion won per property;
- b. Disposal: 2 billion won per property.

2. Lands with areas exceeding the following:

- a. Acquisition: 6 thousand square meters per land;
- b. Disposal: 5 thousand square meters per land.

(3) A public property management plan (including an amended plan) under paragraph (1) shall be prepared by the division responsible for overall property management: Provided that a plan for the management of property in a special account may, in cooperation with the division responsible for overall property management, be prepared by the division responsible for the management of the special account. <Amended on Jul. 13, 2017; Oct. 17, 2022>

(4) Where the Seoul Council wholly or partially deletes an agenda and adopts the amended agenda, the deleted sections shall not be presented to the Seoul Council again within six months from the date of the decision unless there is a change in the contents.

<Newly Inserted on Jul. 14, 2016; Oct. 17, 2022>

[This Article Wholly Amended on May 28, 2009]

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

(1) The head of the competent division shall consult with the officer responsible for the overall property management in advance where any property which is to be acquired (acquired upon payment of compensation) for any project (construction of roads, rivers, etc.) implemented in contravention with a public property management plan but is in accordance with other statutes or regulations.

(2) The head of the competent division shall notify the officer responsible for the overall property management as prescribed by rule of the Seoul Metropolitan Government where property to be acquired under paragraph (1) is determined and if thereafter there is any modification.

[This Article Wholly Amended on May 28, 2009]

Article 13 (Preparation of the Public Property Management Plan)

Methods for the preparation of a public property management plan pursuant to Article 11 shall be prescribed by rule of the Seoul Metropolitan Government.

[This Article Wholly Amended on May 28, 2009]

Article 14 (Principles of Acceptance of Donation)

(1) Where donated property for the use as administrative property is accepted such donated property shall be appropriate for administrative purposes.

(2) Where there is acceptance of donated property there shall be neither impediments to the management thereof nor conditions granting any unjustifiable privilege to the donor. <Amended on Jul. 13, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 15 (Property Subject to Permission for Free Use)

(1) Where there is acceptance of a donation of a building or any other facility constructed on a land which is public property, permission for free use or profit-making shall be limited to the property of which the donation is accepted and permission for paid use shall be granted for such land. <Amended on Jul. 13, 2017>

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

[This Article Wholly Amended on May 28, 2009]

Article 16 (Free Use Period)

The period during which any property whose donation is accepted may be used free of charge shall be in accordance with Article 17 of the Decree and shall commence on the date of such acceptance, but may commence on the date of the first use of such property with approval by the Mayor. <Amended on Jul. 13, 2017>

[This Article Wholly Amended on May 28, 2009]

CHAPTER IV ADMINISTRATION PROPERTY

Article 17 (Management)

CHAPTER IV ADMINISTRATION PROPERTYA property management officer shall thoroughly maintain and repair administrative property managed by such officer and improve the environment to meet the administrative needs.

[This Article Wholly Amended on May 28, 2009]

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

(1) Where there is an intention to grant permission to use administration property, the purpose of such use shall be carefully examined. <Amended on Jul. 13, 2017>

(2) Permission to use or profit from administration property shall not be granted in the following cases: <Amended on Jul. 13, 2017>

1. If it is deemed that it is advantageous to not use and sell such administration property;
2. If it is likely to cause any obstacle to the use of the administrative property due to any alteration to its construction, shape or quality, the installation or works of facilities, etc.

[This Article Wholly Amended on May 28, 2009]

Article 18-2 (Organizations Eligible to Use or Profit from Property through Private Contract)

An institution or organization shall be eligible to obtain permission to use or profit from property through a private contract pursuant to Article 13 (3) 18 of the Decree where such institution or organization falls under any of the following: <Amended on Jan. 7, 2016>

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

[This Article Newly Inserted on Jan. 9, 2014]

[Title Amended on Jan. 7, 2016]

Article 19 (Permission to Use or Profit from Property)

When granting permission to use or profit from administrative property the following matters shall be specified: <Amended on Jul. 13, 2017>

1. Use purpose;
2. Use period;

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

[This Article Wholly Amended on May 28, 2009]

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

A property management officer shall never fail to retain and maintain and make an entry in a register of permits for the use of and profit from administrative property. Such register may be replaced by an electronic file. <Amended on Jul. 13, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 21 (Entrustment of Management of Administration Property)

(1) If a property management officer entrusts the management of administrative property pursuant to Article 27 (1) of the Act, such officer shall include the scope of property eligible for permission to use or make profit, the period of permission, an annual user fee, methods of payment thereof, etc. pursuant to Article 27 (4) and (5) of the Act and Articles 19 and 21 of the Decree in an entrustment contract. <Amended on Jul. 28, 2011; Jan. 7, 2016>

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

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

(4) The entrusted person if deemed necessary by the Mayor pursuant to Article 27 (6) of the Act may collect the user fees directly and use such fees as management expenses. <Amended on Jan. 7, 2016; Jul. 13, 2017>

(5) Where the entrusted person is determined through general bidding, the user fees for administrative property increased due to the efficient management, etc. thereof may be allocated in accordance with the terms and conditions of such bidding pursuant to Article 27 (6) of the Act and Article 21 of the Decree. <Amended on Jul. 28, 2011; Jan. 7, 2016; Jul. 13, 2017>

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

[This Article Wholly Amended on May 28, 2009]

[This Article Wholly Amended on Jul. 28, 2011]

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

Articles 23 through 35 shall apply mutatis mutandis to the rate of user fees of administrative property, permission for temporary use, the appraisal of security deposits and other matters concerning permission to use or profit from administrative property; and Article 36-2 shall apply mutatis mutandis to cases where it is difficult to pay the exchange difference in a lump sum. <Amended on Mar. 23, 2017>

[This Article Wholly Amended on May 28, 2009]

[Title Amended on Mar. 23, 2017]

SECTION 1 Lease

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

SECTION 1 Lease(1) Where property which is leased and is not used for the purposes of such lease, or the value of which is deemed to have decreased due to any neglect of the management, the agreement for such lease shall be terminated pursuant to Article 35 of the Act, and other necessary measures including the recovery of such property shall be undertaken. <Amended on Jul. 13, 2017>

(2) Where property which is leased free of charge to State agencies or other local governments and which is not used directly for public or official purposes or for public services or is used for profit, rent shall be collected or measures under paragraph (1) shall be undertaken.

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

[This Article Wholly Amended on May 28, 2009]

Article 24 (Scope of Foreign-Invested Enterprises)

Foreign-invested enterprise or foreign investment environment improvement facility operator (hereinafter referred to as "foreign-invested enterprise, etc.") in this Ordinance means any enterprise, etc. defined in Article 2 (1) 6 and 7 of the Foreign Investment Promotion Act or Article 2 (9) of the Enforcement Decree of the same Act. <Amended on Jan. 7, 2016; Dec. 31, 2020>
[This Article Wholly Amended on May 28, 2009]

Article 25 (Public Property Subject to Lease or Sale to Foreign-Invested Enterprise)

Public property which may be leased or sold to a foreign-invested enterprise, etc. pursuant to Article 24 shall be as follows:
<Amended on Jul. 28, 2011>

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

[This Article Wholly Amended on May 28, 2009]

Article 26 (Rate of Rent)

(1) Except as otherwise provided in this Ordinance or other Ordinances of the Seoul Metropolitan Government, the rate of annual rent pursuant to Article 31 of the Decree shall be at least 50/1,000 of the appraised value of the relevant property; and if a public forest, etc. is leased for mining or quarrying, the price of minerals and that of standing trees and forest products in a zone which will not be used as forest land in the future due to topographic changes shall be collected in addition to rent: Provided, That where a crisis alert at serious level is issued under Article 38 (2) of the Framework Act on the Management of Disasters and Safety due to the spread of an infectious disease under the Infectious Disease Control and Prevention Act, the head of a local government or a property manager may determine the agreed rate of rent to be at least 10/1,000 of the appraised value of the relevant property.
<Amended on Mar. 24, 2016; Mar. 26, 2020>

(2) The rate of rent for the following property shall be at least 40/1,000 of the appraised value of the relevant property:

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

(3) The rate of rent for land occupied by a residential building not possessed by the Seoul Metropolitan Government shall be at least 20/1,000 of the appraised value of the relevant property: Provided, That any occupied land in a redevelopment project area designated and publicly notified pursuant to Article 16 of the Act on the Improvement of Urban Areas and Residential Environments shall be at least 15/1,000 of the appraised value of the relevant property; and any land occupied by a person receiving welfare benefits or medical benefits among the beneficiaries defined in subparagraph 2 of Article 2 of the National Basic Living Security Act shall be at least 10/1,000 of the appraised value of the relevant property. <Amended on Jul. 28, 2011; Jan. 7, 2016; Jul. 19, 2018>

(4) The rate of rent for the following property shall be at least 25/1,000 of the appraised value of the relevant property: <Amended on Jan. 13, 2011; May 16, 2013; Jul. 13, 2017>

1. Property to be used for official or public purposes;
2. Property leased for settlement improvement projects;
3. Deleted; <Jan. 13, 2011>

4. Cultural facilities defined in Article 2 (1) 3 of the Culture and Arts Promotion Act that are managed by any profit-making corporation or individual referred to in Article 39 of the Civil Act;

5. Where a private school referred to in Article 3 of the Elementary and Secondary Education Act or a school-type lifelong educational facility referred to in Article 31 (2) of the Lifelong Education Act uses Seoul Metropolitan Government-owned property for the purpose of educational activities.

(5) The rate of rent for the following property shall be at least 10/1,000 of the appraised value of the relevant property: <Amended on Apr. 22, 2010; Jan. 13, 2011; Jul. 28, 2011; Mar. 15, 2012; Mar. 28, 2013; Jan. 9, 2014; Jan. 2, 2015; Mar. 23, 2017; Jan. 4, 2018; Dec. 31, 2020>

1. Property leased for stock raising;
2. Farmland used by an actual cultivator for cultivation;
3. Public property used by a foreign-invested enterprise, etc. for business purposes pursuant to Article 13 (5) of the Foreign

Investment Promotion Act;

4. Public property necessary for developing, establishing and operating facilities for clustering venture businesses that is used either by a person who has established and is operating such facilities for clustering venture businesses pursuant to Article 19 (1) of the Act on Special Measures for the Promotion of Venture Businesses or by a person who has established a venture business using any public property built by the Seoul Metropolitan Government to support the establishment of venture businesses or any other individual, organization, corporation or institution related to such support;
 5. Supporting facilities for industry or small and medium enterprises which are established and operated by the Seoul Metropolitan Government or the operation of which is entrusted under statutes or regulations related to the establishment of and support for small and medium enterprises, including the Framework Act on Small and Medium Enterprises or the Small and Medium Enterprises Promotion Act;
 6. Property permitted to be used by a corporation the capital of which is invested or funded by the Seoul Metropolitan Government and the grounds for the establishment thereof are provided by Ordinance of the Seoul Metropolitan Government;
 7. Seoul Metropolitan Government-owned property which is unavoidably occupied and used for an urban planning project, etc. of the Seoul Metropolitan Government;
 8. Hanok, traditional Korean-style houses, etc. purchased pursuant to Article 31 of the Seoul Metropolitan Government Ordinance on Value Enhancement of Hanok and Other Architectural Assets of which the management is entrusted to any individual or corporation designated by the Mayor;
 9. DMC Business-University Collaboration Research Center established for industry-academic cooperation pursuant to the Industrial Education Enhancement and Industry-Academia-Research Cooperation Promotion Act which is used by a university research institute implementing an industry-academic cooperation project or by a foreign research institute conducting joint research with a Korean university;
 10. Cultural facilities defined in Article 2 (1) 3 of the Culture and Arts Promotion Act that are managed by any nonprofit corporation pursuant to in Article 32 of the Civil Act;
 11. Cultural facilities defined in Article 2 (1) 3 of the Culture and Arts Promotion Act that are managed as culture and arts creation studios (referring to any cultural facilities provided for culture and arts institutions, organizations or individuals to concentrate on creative activities);
 12. Recycling centers established and managed pursuant to Article 13-2 of the Act on the Promotion of Saving and Recycling of Resources;
 13. Where the Mayor allows a social enterprise defined in subparagraph 1 of Article 2 of the Social Enterprise Promotion Act, a preliminary social enterprise applicable to a district pursuant to Article 5-2 of the same Act, and a social enterprise applicable to the Seoul Metropolitan Government defined in subparagraph 2 of Article 2 of the Seoul Metropolitan Government Ordinance on the Promotion of Social Enterprises to use public property;
 14. Where the Mayor allows a social cooperative defined in subparagraph 3 of Article 2 of the Framework Act on Cooperatives to use public property.
- (6) For the lease of public forest land Article 21 (1) of the Enforcement Decree of the State Forest Administration and Management Act shall apply mutatis mutandis to the rate of rent therefor. <Amended on Jan. 13, 2011>
- (7) The rate of rent for public property pursuant to Article 18 of the Grassland Act shall be 10/1,000. <Newly Inserted on Jan. 7, 2016>

[This Article Wholly Amended on May 28, 2009]

Article 27 Deleted. <Oct. 1, 2007>

Article 28 (Quarrying Fees)

- (1) For land leased for quarrying pursuant to Article 26 (1) quarrying fees shall be collected of which shall be at least 50/1,000 of the amount obtained by multiplying the permitted amount of quarrying by the market price of a cubic meter of the relevant rough stone during the year involved in addition to rent. <Amended on Jul. 13, 2017>
- (2) "Market price of a rough stone" in paragraph (1) means the market price of the relevant rough stone at the time when it is removed from the place of origin and shall be determined on the basis of the size of that which is produced most.
- (3) For the determination of the market price of a rough stone under paragraph (2), a report on the appraisal price shall be prepared for the determination of the expected price.
- (4) A report on the appraisal price under paragraph (3) shall be accompanied by a written appraisal prepared by an appraisal institution, a report on market prices prepared by any other relevant professional organization, business organization or end user and other reference documents relating to the appraisal price.
- (5) Notwithstanding paragraph (1), the Mayor where necessary may determine the rate of quarrying fees of which may be 50/1,000 or more thereof in consideration of the cost of production of stone, etc. according to the category and use.

[This Article Wholly Amended on May 28, 2009]

Article 29 (Standards for Calculation of Rent for Building)

(1) To calculate the rent for a building the appraised value thereof shall be determined by adding the appraised value of the building and that of the site. <Amended on Jul. 13, 2017>

(2) The appraised value of a building and the appraised value of the site under paragraph (1) shall be determined based on the area calculated according to each of the following formulas: <Amended on Mar. 23, 2017; Jul. 13, 2017>

1. The area of the building: The area of the building used exclusively by the lessee + the total area of the relevant building used jointly x (the area of the building used exclusively by the lessee ÷ the total area of the relevant building used exclusively);

2. The area of the site: The area of the site used exclusively by the lessee + the total area of the relevant site used jointly x [the area of the building of the lessee (the sum of the area used exclusively and the area used jointly)] ÷ the total floor area of the relevant building).

[This Article Wholly Amended on May 28, 2009]

Article 30 (Reduction of or Exemption from Rent)

(1) Where any public property is leased to a foreign-invested enterprise for business purposes pursuant to Article 13-2 (3) of the Foreign Investment Promotion Act and Article 19 (13) of the Enforcement Decree, the rate of reduction of or exemption from rent shall be as follows: <Amended on Jul. 28, 2011; Jan. 2, 2015; Dec. 31, 2020>

1. The total amount of rent may be exempted in any of the following cases:

(a) Businesses pursuant to Article 121-2 (1) of the Restriction of Special Taxation Act in which foreigners invest at least one million US dollars;

(b) Businesses in which foreigners invest at least 20 million US dollars;

(c) Businesses in which at least 300 persons are engaged on average per day;

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

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

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

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

2. In any of the following cases, 75 percent of rent may be reduced:

(a) Businesses in which foreigners invest at least 10 million US dollars but less than 20 million US dollars;

(b) Businesses in which at least 200 but less than 300 persons are engaged on average per day;

(c) Foreign-invested businesses in which at least 50 percent of the gross production is exported and the procurement rate of domestic parts and raw or subsidiary materials is at least 75 percent but less than 100 percent;

(d) Foreign-invested businesses in which at least 75 percent but less than 100 percent of the gross production is exported;

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

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

3. In any of the following cases, 50 percent of rent may be reduced:

(a) Businesses in which foreigners invest at least five million US dollars but less than ten million US dollars;

(b) Businesses in which at least 100 but less than 200 persons are engaged on average per day;

(c) Foreign-invested businesses in which at least 50 percent of the gross production is exported and the procurement rate of domestic parts and raw or subsidiary materials is at least 50 percent but less than 75 percent;

(d) Foreign-invested businesses in which at least 50 percent but less than 75 percent of the gross production is exported;

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

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

(g) Public property in a complex or knowledge industrial center under subparagraphs 1 through 3 of Article 25.

(2) If any public property is leased or permission to use or profit from such property is granted to a person intending to operate a school for foreigners pursuant to Article 13-2 (3) of the Foreign Investment Promotion Act the rate of reduction of or exemption from rent or user fees shall be as follows: <Amended on Jan. 2, 2015; Dec. 31, 2020>

1. Exemption from the total amount: A school for foreigners which has an enrollment of at least 300 persons;

2. Reduction of 75 percent: A school for foreigners which has an enrollment of at least 100 persons but less than 300 persons;

3. Reduction of 50 percent: A school for foreigners which has an enrollment of less than 100 persons.

(3) If any public property is leased for use as a common facility in a market, shopping districts and market revitalization zone pursuant to Article 18 of the Special Act on the Development of Traditional Markets and Shopping Districts, the rate of reduction of or exemption from rent shall be 80 percent. <Amended on Jul. 28, 2011>

(4) The rate of rent may be reduced within the extent of 30/100 pursuant in accordance with Article 35 (2) 3 of the Decree for any of the following production and research facilities: <Newly Inserted on Apr. 22, 2010; Jan. 2, 2015>

1. Production facilities established and used for manufacturing, construction, electricity, gas, steam and water supply, materials recycling and environmental remediation, publication, video, broadcast communications and information service activities in accordance with Korea Standard Industrial Classification Table publicly notified by the Commissioner of the Statistics Korea;
2. Research facilities established and used for investigation, research, examination, etc. pertaining to science, technology, industry, etc.

(5) The user fees or rent may be reduced by 50/100 pursuant in accordance with Article 17 (7) 2 of the Decree and Article 35 (2) 2 of the Decree in any of the following cases: <Newly Inserted on May 16, 2019>

1. Where an unemployed person such as an unemployed youth is to use the property to start a business in accordance with the job policy formulated by the Mayor;
2. Where a self-support company pursuant to Article 18 of the National Basic Living Security Act is to use the property;
3. Where a community company defined in Article 2 (1) 9 of the Special Act on Promotion of and Support for Urban Regeneration that satisfies the criteria determined and publicly notified by the Minister of the Interior and Safety is to use the property.

(6) Where the leaser is unable to use such property due to causes attributable to Seoul city, the property manager may reduce usage fees within the limit of 100/100 of the usage fee or rent fee, pursuant to Article 17 (7) 3 of the Decree and Article 35 (2) 1 of the Decree. <Newly Inserted on Oct. 17, 2022>

[This Article Wholly Amended on May 28, 2009]

[Title Amended on May 16, 2019]

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

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

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

(2) Public property may be leased in such a manner as to pay security deposits under paragraph (1) only if: <Amended on Jul. 13, 2017>

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

(3) Security deposits under paragraphs (1) and (2) shall not be less than the amount obtained by administering an inverted calculation so that at the time of concluding an one-year time deposit with the Seoul Treasury Bank interest thereon may be equivalent to the annual rent pursuant to Article 31 of the Decree. <Amended on Jul. 13, 2017>

(4) Security deposits collected under paragraph (3) shall be managed in cash other than the revenue and expenditure pursuant to Article 40 of the Enforcement Decree of the Local Finance Act by referring to the practices of managing the guaranty money provided for in the Seoul Metropolitan Government Rule on Financial Accounting: Provided that interest on such security deposits shall be included in the revenue of the Seoul Metropolitan Government. <Amended on Jan. 07, 2016; Dec. 31, 2020; Ordinance No. 8127, Sep. 30, 2021>

(5) Where the lease period expires or if a lease is revoked or terminated during the term of the contract, security deposits shall be repaid.

(6) Where repayment of security deposits is due to revocation or termination under paragraph (5) and if such revocation or termination is attributable to the lessee (hereinafter referred to as "lessee"), rent shall be repaid as follows:

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

[This Article Wholly Amended on May 28, 2009]

Article 32 (Special Cases concerning Rent)

(1) Where rent is increased by at least 5/100 for the relevant lease period compared to the preceding year (In the case of applying a rate temporarily reduced in accordance with the proviso to Article 31 (1) of the Decree, referring to the annual rent before the change) pursuant to Article 34 of the Decree, 70/100 shall be the rate of reduction to be reduced and adjusted on the increased portion exceeding 5/100 among the increased portion thereof. <Amended on Jan. 2, 2015; Jan. 7, 2016; May 20, 2021>

(2) Notwithstanding paragraph (1), in any of the following cases, the entire amount may be reduced or adjusted for an increase

exceeding 5/100: <Newly Inserted on May 20, 2021>

1. Cases falling within the scope of application under Article 2 of the Housing Lease Protection Act;
2. Cases falling within the scope of application under Article 2 (1) of the Commercial Building Lease Protection Act;
3. Cases falling under Article 26 (5) 1 and 2.

[This Article Wholly Amended on May 28, 2009]

[Title Amended on Jan. 7, 2016]

Article 33 (Payment Deadline of Rental Fees)

(2) Where rent exceeding one million won is paid in installments pursuant to Article 32 (2) of the Decree shall be as follows:

<Amended on Jul. 28, 2011; Oct. 17, 2022>

1. More than one million won but not more than two million won: Payment with a maximum of four installments within six months;
2. More than two million won: Payment with a maximum of six installments within ten months.
3. Deleted <Oct. 17, 2022>

(3) Any venture business pursuant to the Act on Special Measures for the Promotion of Venture Businesses may in accordance with Article 32 (2) of the Decree pay rent in installments as follows: <Amended on Jul. 28, 2011; Oct. 17, 2022>

1. Not more than 500,000 won: Payment with a maximum of two installments within three months;
2. More than 500,000 won but not more than 1,000,000 won: Payment with a maximum of four installments within six months;
3. More than 1,000,000 won: Payment with a maximum of six installments within ten months.

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

<Amended on Dec. 30, 2021; Oct. 17, 2022>

[This Article Wholly Amended on May 28, 2009]

Article 33-2 (Interest Rates on Payment of Rent in Installments)

(1) Where rent is paid in installments pursuant to Article 32 (2) of the Decree, an interest rate on rent shall be determined and publicly notified by the Minister of the Interior and Safety. <Amended on Mar. 23, 2017; Mar. 22, 2018>

(2) Where a foreign-invested enterprise pursuant to the Foreign Investment Promotion Act pays rent pursuant to Article 32 (3) of the Decree, an interest rate shall be determined and publicly notified by the Minister of the Interior and Safety. <Amended on Mar. 23, 2017; Mar. 22, 2018>

[This Article Newly Inserted on Jan. 9, 2014]

Article 34 (Keeping of Lease Register)

(1) A property management officer shall constantly maintain a lease register of property which may be replaced by an electronic file. <Amended on Jul. 13, 2017>

(2) For the lease register under paragraph (1), each of the following matters shall be specified: <Amended on Jul. 13, 2017; Mar. 22, 2018>

1. Status of leased property (classification between entries in a register and status of leased property);
2. Dates of lease agreements;
3. Full names and addresses of lessees;
4. Lease periods;
5. Prices of property;
6. Rates of rent;
7. Rent;
8. Payment dates of rent;
9. Details of renewal of agreements;
10. Other necessary matters.

[This Article Wholly Amended on May 28, 2009]

Article 35 (Lease Agreement)

Where a lease agreement is concluded, the written lease agreement shall be prepared and retained to manage property thoroughly.

[This Article Wholly Amended on May 28, 2009]

SECTION 2 Sale

Article 36 (Payment of Price for Sale in Installments)

SECTION 2 Sale(1) The Mayor may permit a person who purchases property to pay the price of general property sold in installments plus interest on the remainder of such price at the rate determined and publicly notified by the Minister of the Interior

and Safety within 10 years pursuant to Article 39 (1) of the Decree, where any of the following are satisfied: <Amended on Mar. 15, 2012; Oct. 4, 2013; Jan. 7, 2016; Mar. 23, 2017; Mar. 22, 2018; Jul. 19, 2018>

1. Where the State or a local government sells property which will be directly used for public purposes or for public service to the State or the relevant local government;
2. Where the property is to be used by an office of education as a site for a school is sold to the relevant office of education;
3. Where the land which is not more than 90 square meters in area is sold to a person receiving welfare benefits or medical benefits among the beneficiaries defined in subparagraph 2 of Article 2 of the National Basic Living Security Act;
4. Where the land necessary for a knowledge industrial center defined in Article 2 of the Industrial Cluster Development and Factory Establishment Act, a site for an industrial complex development project pursuant to Article 27 of the Industrial Sites and Development Act, a site for a factory of a small or medium business operator pursuant to Article 14 of the Act on Special Measures for the Deregulation of Corporate Activities, an agricultural and industrial complex built by a local government or a site for a factory transferred to any place under the jurisdiction of the Seoul Metropolitan Government is sold to the relevant business operator;
5. Where the property is sold to a person who intends to establish facilities for the welfare of persons with disabilities pursuant to the Act on Welfare of Persons with Disabilities;
6. Where the property is sold under subparagraph 1 or 4 of Article 38;
7. Where the Mayor sells an apartment, tenement house or city-owned house built by the Seoul Metropolitan Government and the site thereof to a person who has rendered distinguished service to the State designated by the Minister of Patriots and Veterans Affairs;
8. Where the Mayor sells land (limited to land occupied or used by a privately owned building meeting standards provided by the Mayor for the execution of a housing redevelopment project pursuant to the Act on the Improvement of Urban Areas and Residential Environments) in an improvement area for the implementation of a redevelopment project defined in subparagraph 2 (b) of Article 2 of the Act on the Improvement of Urban Areas and Residential Environments to an occupant or user at the time of authorization for the implementation of the housing redevelopment project.

(2) The Mayor may permit a person who purchases property to pay the price of general property sold in installments plus interest on the remainder of such price at the rate determined and publicly notified by the Minister of the Interior and Safety within five years pursuant to Article 39 (1) of the Decree where any of the following are satisfied: <Amended on Mar. 15, 2012; Oct. 4, 2013; Mar. 23, 2017; Mar. 22, 2018; Jul. 19, 2018; Dec. 31, 2020>

1. Where the property is sold pursuant to Article 38 (1) 4, 6, 7, 12, and 14 of the Decree;
2. Where the Mayor otherwise determines the date of delivery of the sold property and the price payment period or extends that date as at the time of conclusion of the contract so that the Mayor by necessity may continue to occupy and use such property for a fixed period;
3. Where the property is sold to support public services, in which case the Mayor deems that it is difficult to pay the price in a lump sum;
4. Where the property is sold to a social welfare corporation established under the Social Welfare Services Act or any other corporation governed by the Act on the Establishment and Operation of Public Interest Corporations for its services;
5. Where the Mayor sells land (limited to land occupied or used by a privately owned building meeting standards provided by the Mayor for the implementation of a housing redevelopment project pursuant to the Act on the Improvement of Urban Areas and Residential Environments) in an improvement area for the implementation of a redevelopment project defined in subparagraph 2 (b) of Article 2 of the Act on the Improvement of Urban Areas and Residential Environments to a person who has succeeded to the rights and duties of an occupant or user at the time of authorization for the implementation of the housing redevelopment project pursuant to Article 129 of the same Act.

(3) Where any general property is necessary for the business purposes of a foreign-invested enterprise, etc. pursuant to Article 13-3 (3) of the Foreign Investment Promotion Act, the price for such general property plus interest on the remainder of that price at the rate determined and publicly notified by the Minister of the Interior and Safety may be paid in installments for a period of not more than 20 years. <Amended on Jul. 28, 2011; Mar. 15, 2012; Oct. 4, 2013; Mar. 23, 2017; Mar. 22, 2018; Dec. 31, 2020>

[This Article Wholly Amended on May 28, 2009]

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

The Mayor may permit the State or another local government to pay the exchange difference that occurs when the State or another local government exchanges its property with public property for the direct use of public purposes or for public service in installments for the remainder of the exchange difference and interest at the rate determined and publicly notified by the Minister of the Interior and Safety within a period of five years. <Amended on Mar. 15, 2012; Jan. 9, 2014; Mar. 23, 2017; Mar. 22, 2018>

[This Article Newly Inserted on Jul. 28, 2011]

[Title Amended on Jan. 9, 2014]

Article 37 (Sale at Cost)

The property which may be sold at cost pursuant to Article 42 of the Decree shall be as follows and such cost shall consist of labor cost, land purchase expenses (including all compensation), and investment and development expenses (including construction

expenses, if there is a building): <Amended on Jul. 28, 2011; Mar. 23, 2017>

1. Property located in a general industrial complex or agricultural and industrial complex built by a local government pursuant to Articles 7 and 8 of the Industrial Sites and Development Act or a national industrial complex all or part of which is sold to a local government pursuant to Article 38-4 (2) of the same Act;
2. Property located in a knowledge industrial center pursuant to the Industrial Cluster Development and Factory Establishment Act;
3. Property located in a foreign investment area developed and managed by the Mayor for the purpose of promoting large foreign investment projects;
4. Property located in a site directly developed by the Mayor for the purpose of promoting foreign investment.

[This Article Wholly Amended on May 28, 2009]

Article 38 (Property Which May Be Sold by Free Contract)

Any property may be sold by a free contract pursuant to Article 38 (1) 23 of the Decree for the following cases: <Amended on Oct. 4, 2013; Jan. 9, 2014; Jan. 5, 2017; Mar. 23, 2017; Jul. 13, 2017; Jan. 4, 2018>

1. Where small land (referring to land the area of which is not more than 300 square meters in a Dong under the jurisdiction of the Seoul Metropolitan Government or a Metropolitan Government, 500 square meters in a Dong under the jurisdiction of a Si or 1,000 square meters in an Eup/Myeon under the jurisdiction of a Metropolitan Government/Si/Gun) on which a building (Not including buildings whereof authorization for completion is not granted under the former Act on Special Measures for Rearrangement of Specific Buildings) not owned by the Seoul Metropolitan Government prior to or on December 31, 2012 is situated is sold to the owner of such building;
2. Where a narrow and long disused road, ditch (gutter) or embankment is located on private land or a site surrounded by such land is at least 1/2 of the boundaries of which protrudes on such land;
3. Where land in a site for an industrial facility including an existing industrial complex is at least 1/2 of the boundaries of which such land protrudes on private land is sold to the owner of the relevant production facilities;
4. Where land the area of which is not more than 1,000 square meters in the Seoul Metropolitan Government, a Metropolitan Government, or a Si or 2,000 square meters in other areas and on which a building (Not including buildings whereof authorization for completion is not granted under the former Act on Special Measures for Rearrangement of Specific Buildings) not owned by the Seoul Metropolitan Government prior to or on December 31, 2012 is situated is sold to the owner of such building to an extent not exceeding double the floor space thereof (if double the floor space of the building is less than the area of the small land under subparagraph 1 including land not exceeding such area): Provided that in cases of land which is occupied by clustered buildings not owned by local governments and which cannot be used, only the clustered part may be sold in lots to the extent of sale under the main sentence of this subparagraph even if the area of such land exceeds 1,000 or 2,000 square meters under the main sentence;
5. Where land owned jointly by the Seoul Metropolitan Government and any other entity, the share of the Seoul Metropolitan Government which is equivalent to a size under subparagraph 1 is sold to any other such entity: Provided, That the share of any other such entity shall not be less than 50 percent;
6. Where land owned by the Seoul Metropolitan Government in the same block or plot determined according to a district-unit planning pursuant to the National Land Planning and Utilization Act is sold to the owner of any other adjoining land who intends to construct a building in conformity with such planning;
7. Where one parcel of narrow and long land which is not suitable for a building is sold to the owner of any other adjoining land;
8. Where property directly occupied or used by a religious organization for religious purposes prior to or on December 31, 2012 is sold to such occupant or user;
9. Where public land incorporated into a private road built pursuant to Article 4 of the Private Road Act is sold to a person who builds the private road;
10. Where public land deemed to have no useful value in consideration of its location, size, form, use, etc., is sold to the owner of private land which borders such public land where there is only one parcel of private land which borders the public land.

[This Article wholly Amended on, May 28, 2009]

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

Where the head of a Gu permits a development project, implements or authorizes a rearrangement project, prepares or authorizes an implementation plan in which matters concerning the reversion of public facilities and rearrangement infrastructure are included in accordance with the provisions of the National Land Planning and Utilization Act, the Act on the Improvement of Urban Areas and Residential Environments, the Urban Development Act, etc., such head shall manage the ratio of the proceeds from sale of the Seoul Metropolitan Government-owned property constituting the proceeds from sale of the whole property including property of the State or other local governments be lower than the ratio of the value of the disused Seoul Metropolitan Government-owned property constituting the value of the disused whole property.

[This Article Newly Inserted on Apr. 22, 2010]

SECTION 3 Trust, Trust Management, and Development

Article 39 (Category of Trust)

SECTION 3 Trust, Trust Management, and Development Where general property is in a trust pursuant to Article 48 of the Decree, such general property shall be categorized into immovable property management trust, immovable property disposal trust and land trust (classified into sale-type land trust, lease-type land trust and combined type land trust).

[This Article Wholly Amended on May 28, 2009]

Article 39-2 (Trusted Institution Selection Examination Committee)

A Trusted Institution Selection Examination Committee of the Seoul Metropolitan Government (hereinafter referred to as the "Examination Committee") shall be established to select a trusted institution of the Seoul Metropolitan Government-owned general property pursuant to Article 48-2 of the Decree.

(1) The Examination Committee shall be comprised of not more than 10 members including the chairperson, in consideration of gender. <Amended on Oct. 17, 2022>

(2) The Director-General of Finance shall be the chairperson of the Examination Committee and the Mayor shall appoint members from among the following persons and private experts under subparagraph 2 shall constitute at least a majority of the members:

<Amended on Jul. 13, 2017>

1. Members belonging to the standing committee concerned recommended by the Seoul Council;

2. Private experts who have knowledge of and experience in the relevant field such as university professors, attorneys-at-law, certified public accountants, licensed tax accountants, etc.;

3. At least Grade IV Public officials employed by the Seoul Metropolitan Government.

(3) The chairperson shall represent the Examination Committee and exercise general supervision over the affairs and where the chairperson is unable to perform the duties due to unavoidable cause, a member designated by the chairperson shall act on behalf of the chairperson.

(4) The term of office of a member shall be two years from the date such member is appointed.

(5) The Examination Committee shall have one executive secretary and one clerk to administer the affairs, and a Grade V public official and a Grade VI public official responsible for trust management and development affairs in the City Asset Management Division shall be the executive secretary and the clerk, respectively. <Amended on Jul. 28, 2011; Mar. 15, 2012>

(6) Meetings of the Examination Committee shall be convened with the attendance of a majority of the members, and resolutions shall be adopted by the concurring vote of a majority of those present.

(7) Other detailed matters necessary with the formation and operation of the Committee shall be prescribed by rule of the Seoul Metropolitan Government.

[This Article Newly Amended on Apr. 22, 2010]

Article 39-3 (Dismissal of Members)

The Mayor may dismiss a member who falls under any of the following subparagraphs:

1. Where the member intends to be dismissed;

2. Where it becomes difficult for the member to perform the duties due to a disease requiring long-term treatment or overseas travel for at least six months;

3. Where the member has disclosed any confidential information that was learned of in the course of performance of the duties as a member or has used such information for personal purposes;

4. Where the member is deemed unsuitable to serve as a member due to negligence of duty, loss of dignity, etc.

[This Article Newly Inserted on Jul. 13, 2017]

CHAPTER VI MANAGEMENT OF PUBLIC FOREST LAND

Article 40 (Management of Public Forest Land)

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

[This Article Wholly Amended on May 28, 2009]

Article 41 (Restriction on Disposal)

Public forest land shall be disposed of only if it is deemed that such disposal is necessary for public purposes, including reclamation; and such disposal shall require careful examination of economic feasibility, future availability, etc. <Amended on Jul. 13, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 42 Deleted. <Oct. 1, 2007>

CHAPTER VII MANAGEMENT OF OFFICE BUILDINGS

Article 43 (Formulation of Plan for Maintenance of Office Buildings)

CHAPTER VII MANAGEMENT OF OFFICE BUILDINGS(1) The Mayor, for the construction of a building of the Seoul Metropolitan Government or its affiliate office, shall examine in advance whether such construction is advisable by a plan therefor, taking into account the location and size of such building, financial resources, etc. and formulate and implement a plan for the maintenance of office buildings.

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

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

[This Article Wholly Amended on May 28, 2009]

Article 44 (Site for Office Buildings)

The area of the site for an office building shall be at least three times the total floor space thereof: Provided, That when it is difficult to do so, at least the building coverage ratio pursuant to the Building Act may be permitted in consideration of regional circumstances. <Amended on Jan. 5, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 45 (Design of Office Buildings)

(1) The construction of an office building shall be designed in accordance with the Criteria for Standard Design Area of Local Government Buildings in attached Table 1 and such design shall conform with the following: <Amended on May 16, 2019; Mar. 25, 2021>

1. Reasonable scale in consideration of future needs including the increase and decrease of administrative needs, organizations and personnel;
2. Exterior with traditional beauty that depicts the symbol of a local community;
3. Horizontal and vertical design by which the extension is possible;
4. Design of military facilities and air-raid shelters as underground facilities for everyday use;
5. Installation of air conditioners;
6. Economical and safe construction;
7. Development of greenbelts capable of being used as parks and designation of security zones in the vicinity of the said office building.

(2) The criteria specified in attached Table 1 shall apply mutatis mutandis to those for duty-related area per capita, etc. in cases of construction of a local government building not provided for in attached Table 1 pursuant to paragraph (1). <Amended on May 16, 2019>

(3) For advisability examination of the construction of an official or public building such as an office building, whether to comply with the criteria specified in attached Table 1 under paragraph (1) shall be examined.

[This Article Wholly Amended on May 28, 2009]

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

The Building Committee for the construction of an office building shall deliberate on such construction in accordance with the Seoul Metropolitan Government Ordinance on Building. <Amended on Jul. 13, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 47 (Integration of Office Buildings)

(1) The Building Committee for construction of office buildings shall be integrated to such an extent as the relevant budget permits. <Amended on Jul. 13, 2017>

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

[This Article Wholly Amended on May 28, 2009]

CHAPTER VIII MANAGEMENT OF OFFICIAL RESIDENCES

Article 48 (Definition)

CHAPTER VIII MANAGEMENT OF OFFICIAL RESIDENCEThe term "official residence" in this Chapter means any official house

which is owned for the use of the Mayor, Vice-Mayors, or other public officials employed by the Seoul Metropolitan Government.
[This Article Wholly Amended on May 28, 2009]

Article 49 (Classification of Official Residences)

The official residences shall be classified as follows:

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

[This Article Wholly Amended on May 28, 2009]

Article 50 (Permission to Use Official Residence)

The use of an official residence shall be permitted by the Mayor upon application: Provided, That the use of a Grade I or II official residence shall not require such permission. <Amended on Jan. 5, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 51 (Responsibility for Use)

Any public official who uses an official residence (hereinafter referred to as "user") shall manage such residence in good faith as follows:

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

[This Article Wholly Amended on May 28, 2009]

Article 52 (Keeping of Official Residence Management Registers)

To manage official residences the respective specific management numbers and public officials who are permitted to use such residences shall be determined and an official residence management registers shall be maintained and retained. <Amended on Jul. 13, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 53 (Revocation of Permission to Use Official Residence)

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

1. If the user is removed from office;
2. If the user discontinues such use;
3. If there are serious difficulties in operating and maintaining such official residence on a normal basis because the user neglects the good faith management thereof pursuant to Article 51;
4. If it is necessary to revoke permission to use such official residence for the reasonable operation and maintenance thereof.

[This Article Wholly Amended on May 28, 2009]

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

Expenses incurred in the operation of an official residence shall be borne by the user thereof: Provided, That the following expenses may be reimbursed from the relevant budget: <Amended on Jan. 5, 2017>

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

[This Article Wholly Amended on May 28, 2009]

Article 55 (Exemption from User Fees)

An official residence pursuant to Article 49 may be exempted from the total amount of the user fees in any of the following cases:

1. Where the residence is in direct use by a public official eligible for use;

2. Where the residence is used for temporary protection;
 3. Where the residence is used by a public official who protects, guards, etc. the relevant facilities.
- [This Article Wholly Amended on May 28, 2009]

Article 56 (Management of Equipment)

A commodity operation officer managing an official residence shall separately keep a register of equipment used in an official residence and enter and manage equipment and basic ornamentation purchased from the relevant budget pursuant to Article 54 in such register. <Amended on Jan. 7, 2016; Jul. 13, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 57 (Vacate and Takeover)

(1) Where permission to use an official residence is revoked pursuant to Article 53, the user shall vacate the official residence no later than the date fixed by the Mayor.

(2) Where the user vacates an official residence under paragraph (1), such user shall verify and pay the amount of the official residence operation expenses sustained by such user until the date where such user vacates the premises and shall provide to the next user or a public official responsible of the official residence the following:

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

[This Article Wholly Amended on May 28, 2009]

Article 58 (Compensation Measures)

Where the user destroys or damages facilities of an official residence through negligence or loses or damages equipment therefor (including fittings, installations and commodities) purchased from the relevant budget in the course of use of the official residence, such user shall provide compensation therefor.

[This Article Wholly Amended on May 28, 2009]

Article 59 (Application Mutatis Mutandis)

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

[This Article Wholly Amended on May 28, 2009]

CHAPTER IX COMMON PROVISIONS ON COMMODITIES

Article 60 (Classification of Commodities)

CHAPTER IX COMMON PROVISIONS ON COMMODITIESThe classification of commodities according to the type and condition thereof shall be as specified in attached Table 2.

[This Article Wholly Amended on May 28, 2009]

Article 61 (Arrangement Categories of Commodities)

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

[This Article Wholly Amended on May 28, 2009]

Article 62 (Year Categories)

(1) For commodities the fiscal year shall begin on January 1 and end on December 31 of each year.

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

[This Article Wholly Amended on May 28, 2009]

Article 63 (Request for Purchase of Commodities)

The head of the division responsible shall submit a request for the purchase (repair or production) of commodities prescribed by rule of the Seoul Metropolitan Government to a commodity receipt and delivery officer where necessary to purchase, repair or produce commodities and such commodity receipt and delivery officer shall submit that request to an accountant.

[This Article Wholly Amended on May 28, 2009]

Article 64 (Examination of Request for Purchase of Commodities)

(1) Where the head of the division responsible requests the purchase of commodities pursuant to Article 63, a commodity management officer shall have the commodities purchased after examining whether such commodities are within the determined allocated limits and are reflected in a plan for the management of the supply and demand of commodities pursuant to Articles 57 and 58 of the Decree.

(2) No accountant shall purchase commodities requested pursuant to Article 63 without foregoing an examination under paragraph (1).

[This Article Wholly Amended on May 28, 2009]

Article 65 (Purchase of Commodities by Ordinary Expenses)

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

(2) In cases of the purchase of commodities under paragraph (1), an assistant accountant may directly purchase (repair or produce) the commodities by ordinary expenses granted to such assistant accountant. <Amended on Jul. 13, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 66 (Acceptance of Contributions)

(1) The head of the division responsible who receives a report of contribution or gift of commodities shall, after prior consultation with a commodity management officer, submit such report for deliberation by the Contributions Deliberation Committee.

(2) The head of the division responsible shall notify a commodity management officer of the results of deliberation by the Contributions Deliberation Committee.

(3) Where there is a report of contribution or gift of commodities which are not included in deliberation by the Contributions Deliberation Committee, a commodity receipt and delivery officer (an assistant commodity receipt and delivery officer) shall report such contribution or gift in the form prescribed by rule of the Seoul Metropolitan Government to a commodity management officer who shall decide whether to accept such commodities after reporting to the head of the organ to which such commodity receipt and delivery officer is affiliated with.

(4) A commodity management officer shall issue a written receipt of contributions prescribed by rule of the Seoul Metropolitan Government to the contributor and notify a commodity receipt and delivery officer and the head of the division responsible where acceptance is affirmed pursuant to paragraphs (1) and (3).

[This Article Wholly Amended on May 28, 2009]

CHAPTER X RECEIPT AND DELIVERY

Article 67 (Change in Classification)

CHAPTER X RECEIPT AND DELIVERY If a commodity management officer decides to amend the types or categories of commodities, notification shall be provided to a commodity receipt and delivery officer.

[This Article Wholly Amended on May 28, 2009]

Article 68 (Commodities Classified as Expendable Supplies)

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

[This Article Wholly Amended on May 28, 2009]

Article 69 (Prices of Commodities)

The prices of commodities shall be as follows: <Amended on Jan. 7, 2016; Mar. 25, 2021>

1. For a purchased commodity, the purchase price;
2. For a produced commodity, the amount obtained by adding the production cost to the raw material price: Provided, That in cases of a commodity produced by a full-time mechanic, the amount obtained by adding the wages to the raw material price;
3. For a product, the appraised value stated in a written transfer;
4. For a contributed commodity, the appraised value;
5. For a commodity the management of which is transferred, the amount stated in a written transfer;
6. For a commodity other than those referred to in subparagraphs 1 through 5 and the price of which is unclear, the estimated value;
7. For a commodity referred to in any of subparagraphs 1 through 6, the price of which is deemed to fluctuate considerably after its first entry in a book, the presumed value determined by a commodity management officer.

[This Article Wholly Amended on May 28, 2009]

Article 70 (Carry-Over of Unused Commodities)

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

[This Article Wholly Amended on May 28, 2009]

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

(1) Where a commodity management officer intends to sell any of the following commodities, forest products, livestock products or other products, such commodity management office shall decide on the disuse thereof by a disuse decision notification prescribed by rule of the Seoul Metropolitan Government: <Amended on Jul. 13, 2017>

1. Commodities the use of which becomes unnecessary and is not expected in the future;
2. Commodities held in stock in excess of the predictable demand for a period of time;
3. Attachments to materials whose use is impossible or which are lost and cannot be re-acquired;

4. Commodities because of any change in the standards or models that cannot be used for the original purpose even though repairs may be provided for;
 5. Commodities removed from installations and incapable of being used;
 6. Commodities because of damage or abrasion that cannot be used for the original purpose even though repairs may be provided for;
 7. Commodities requiring repair which is uneconomical;
 8. Commodities with respect to which it is deemed that there are reasons similar to those falling under subparagraphs 1 through 7.
- (2) The demand for recyclable commodities among disused commodities under paragraph (1) shall be inquired of the State and local governments: Provided, That this may not apply to any of the following commodities: <Amended on Jan. 5, 2017>
1. Commodities which shall be urgently disposed of in view of the properties thereof;
 2. Commodities because of damage or abrasion that cannot be used for the original purpose even though repairs may be provided for;
 3. Commodities requiring repair which is uneconomical;
 4. Commodities with an acquisition price of less than five million won stated in a book;
 5. Other commodities whose duration has expired and whose recycling is uneconomical.
- (3) Inquiries into the demand for disused commodities under paragraph (2) shall be made to administrative agencies affiliated with the Seoul Metropolitan Government, autonomous Gus and central administrative agencies located in districts under its jurisdiction, other Metropolitan Cities and Dos: Provided, That inquiries into the demand for recyclable commodities with an acquisition price of less than 20 million won stated in a book shall be made to administrative agencies affiliated with the Seoul Metropolitan Government and autonomous Gus located in districts under its jurisdiction. <Amended on Jan. 5, 2017>
- (4) Inquiries into the demand for disused commodities under paragraphs (2) and (3) may be replaced by inclusion in the commodity management computer system of the Public Procurement Service or the Seoul Metropolitan Government.
- (5) Disused commodities with respect to which there is no division in need thereof as a result of inquiries into the demand under paragraph (3), but it is expected that there will be a demand within one year and of which the recycling is economical may be separately managed.

[This Article Wholly Amended on May 28, 2009]

Article 72 (Sale of Disused Commodities)

- (1) A report on the disposal of disused commodities by sale shall be prepared with respect to commodities the disuse of which is decided upon pursuant to Article 71 for which such disused commodities shall be disposed of by sale except as provided for in any of the following:
1. Where the proceeds from the sale is nil upon payment of selling expenses;
 2. Where there is no purchaser;
 3. Where the sale is deemed inappropriate.
- (2) A commodity receipt and delivery officer where commodities are disposed of by sale under paragraph (1) shall receive a receipt from the counterparty to the commodity contract and deliver such commodity to the counterparty after full payment of the price.
- (3) A public official responsible for commodity contracts shall determine the sales price on the basis of any of the following:
1. Overall amount of sale;
 2. Overall amount of two or more commodities;
 3. Overall amount of the same commodities;
 4. Overall amount of the same category or standard units.
- (4) The sales price of disposed disused commodities shall be determined in consideration of the market price: Provided, That the sales price of recyclable commodities with an acquisition price of at least 20 million won stated in a book whose duration does not expire shall be determined in consideration of the appraised value determined by an appraisal business entity pursuant to Article 27 (1) of the Decree. <Amended on Jan. 7, 2016>
- (5) If an appraisal corporation under paragraph (4) is not capable of appraisal or if it is deemed that such appraisal is of no practical use, the sales price of commodities shall be determined on the basis of the estimated value or actual transaction price collected from the counterparty to a commodity contract or any third person.
- (6) A report on the disposal of disused commodities by sale under paragraph (1) shall be deemed a commodity receipt and delivery order.
- (7) An accountant in the sale of commodities may omit to prepare a contract for the sale thereof if the purchaser immediately pays the price and takes delivery of the commodities.
- (8) Disused commodities shall be disposed of by sale twice a year (April and September): Provided, That where deemed necessary, disused commodities may be disposed of at any time. <Amended on Jan. 5, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 72-2(Transfer of Disused Commodities)

- (1) Transfer of disused commodities shall be in accordance with Article 78 of the Act and Article 79 of the Decree.

(2) Following shall be disclosed for transfer of disused commodities pursuant to Paragraph (1) of this Article:

1. Corporate (Group) name, representative name, registered place of address;
2. Number, value and purpose of transferred commodities;
3. State of transferred commodities;
4. Reason for transfer;
5. Other matters deemed necessary to disclose.

[This Article Newly Inserted on Sep. 30, 2021]

Article 73 (Discard of Disused Commodities)

(1) A commodity management officer shall burn or destroy (dismantle) commodities falling under any subparagraph of Article 72 (1) after preparing a report on the destruction (dismantlement) of disused commodities prescribed by rule of the Seoul Metropolitan Government.

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

<Amended on Mar. 25, 2021>

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

[This Article Wholly Amended on May 28, 2009]

CHAPTER XI CUSTODY

Article 74 (Category of Custody)

CHAPTER XI CUSTODY(1) For the custody of commodities, categorization shall be two types: commodities in stock and official commodities.

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

[This Article Wholly Amended on May 28, 2009]

Article 75 (Responsibility for Custody)

A commodity receipt and delivery officer or assistant commodity receipt and delivery officer and a commodity receipt and delivery officer, assistant commodity receipt and delivery officer or head of the division responsible shall be responsible for the custody of commodities in stock and joint-use commodities, respectively, and exclusive-use commodities shall be in the custody of a person who exclusively uses those commodities under the direction and supervision of the head of the division responsible.[This Article Wholly Amended on May 28, 2009]

[Wholly Amended on Jan. 5, 2017]

Article 76 (Temporary Custody)

(1) A commodity receipt and delivery officer or the head of the division responsible may have depositories or other credible persons temporarily provide custody for such commodities with approval from the head of the organ to which such commodity receipt and delivery officer or the head of the division responsible where deemed particularly necessary for the custody of commodities.

<Amended on Dec. 31, 2019>

(2) Where commodities are temporarily in custody under paragraph (1), such commodities shall be delivered to the recipient after receiving a receipt from such recipient.

[This Article Wholly Amended on May 28, 2009]

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

(1) In cases of loss or damage of commodities in the custody, the head of the division responsible or an assistant commodity receipt and delivery officer shall immediately prepare a report including the reasons for such loss or damage and submit such report to a commodity receipt and delivery officer.

(2) Where a commodity receipt and delivery officer receives a report under paragraph (1), an investigation and report shall be made and prepared reflecting the opinions of such commodity receipt and delivery officer to a commodity management officer.

(3) Where a commodity receipt and delivery officer loses or damages commodities in the custody, such commodity receipt and delivery officer shall report to a commodity management officer with the detailed reasons for such loss or damage.

(4) A commodity management officer in receipt of a report under any of paragraphs (2) and (3) from a commodity receipt and delivery officer shall report to the Mayor without delay.

[This Article Wholly Amended on May 28, 2009]

Article 78 (Liability of Commodity Custodian for Reimbursement)

(1) Where the Mayor receives a report pursuant to Article 77, any person responsible for custody shall be ordered to reimburse by

a fixed deadline according to the following classification: <Amended on Jan. 5, 2017>

1. For the loss of commodities, an order to deliver substitute commodities or to pay the equivalent value;
 2. For the damage to commodities, an order to repair such commodities or to pay expenses incurred in the repair: Provided, That subparagraph 1 shall apply when the commodities cannot be used even though repairs are undertaken.
- (2) If a reimbursement decision under public law is made after a reimbursement order is issued under paragraph (1), such reimbursement decision shall be complied with, notwithstanding paragraph (1). <Amended on Jan. 5, 2017>
- [This Article Wholly Amended on May 28, 2009]

CHAPTER XII BOOKS

Article 79 (Books of Commodity Receipt and Delivery Officers)

CHAPTER XII BOOKS(1) A commodity receipt and delivery officer shall maintain and retain the following books in the form prescribed by rule of the Seoul Metropolitan Government: <Amended on Jul. 13, 2017>

1. A commodity receipt and delivery ledger;
 2. An equipment receipt, delivery and management card;
 3. A register of commodity cards;
 4. A list of books.
- (2) An assistant commodity receipt and delivery officer shall maintain an equipment receipt, delivery and management card and a list of books among the books under paragraph (1) and imprint the equipment receipt, delivery and management card with a rubber stamp of "commodity whose number is determined" in the case of a commodity pursuant to Article 64 (1). <Amended on Jul. 13, 2017>
- (3) Supplementary books may be kept where necessary in addition to the books under paragraph (1). <Amended on Jul. 13, 2017>
- (4) Where the contents of books retained under paragraph (1) are computerized, retainment shall be replaced by such computerization. <Amended on Jul. 13, 2017>
- [This Article Wholly Amended on May 28, 2009]

Article 80 (Preparation of Books)

- (1) Books other than those related to equipment shall be separately prepared each year: Provided, That in cases of any book whose entries are short the former book may continue to be used in which case such former books shall be clearly classified by year. <Amended on Jan. 5, 2017>
- (2) The preparation of books under paragraph (1) shall be replaced by computerization.
- [This Article Wholly Amended on May 28, 2009]

Article 81 (Retainment of Evidentiary Documents and Books)

A commodity management officer, a commodity receipt and delivery officer, the head of the division responsible or an assistant commodity receipt and delivery officer shall retain evidentiary documents and books under his or her authority for five years.

[This Article Wholly Amended on May 28, 2009]

Article 82 (Inspection of Commodity Management Duties)

- (1) An inspection of the management of commodities pursuant to Article 90 of the Decree shall be conducted by a commodity management officer.
- (2) Notwithstanding paragraph (1), the Mayor or the head of any competent organ where necessary may appoint an inspector from among the staff members under the supervision of such Mayor or the head of any competent organ and have such inspector inspect commodity receipt and delivery duties.
- [This Article Wholly Amended on May 28, 2009]

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

- (1) In conducting any inspection pursuant to Article 82, where a commodity receipt and delivery officer is unable to undergo an inspection due to unavoidable circumstances, an inspector shall have a designated staff member attend the inspection. <Amended on Mar. 25, 2021>
- (2) A commodity receipt and delivery officer or assistant commodity receipt and delivery officer shall inspect or evaluate the purchase, repair and mending of commodities and conduct any other inspection or evaluation according to a report on inspection of commodities prescribed by rule of the Seoul Metropolitan Government.
- (3) Construction materials supplied by any administrative agency for the purpose of use for facility construction shall be inspected by a public official supervising such construction and evaluated by an assistant commodity receipt and delivery officer.
- [This Article Wholly Amended on May 28, 2009]
- [Title Amended on Mar. 25, 2021]

Article 84 (Commodity Inspection Certificates)

(1) Where an inspector conducts any inspection pursuant to Article 82 or 83 (1), two commodity inspection certificates in the form prescribed by rule of the Seoul Metropolitan Government shall be prepared and one certificate shall be issued to the commodity receipt and delivery officer in question or the attending person and the other certificate shall be submitted to the Mayor or the head of the organ to which the inspector is employed. <Amended on Mar. 25, 2021>

(2) Each inspection certificate under paragraph (1) shall be signed and sealed jointly by an inspector and the commodity receipt and delivery officer in question or the attending person. <Amended on Mar. 25, 2021>

(3) Electronic documents may be used for the procedures in the preparation of a form, sealing, etc. under paragraphs (1) and (2).
[This Article Wholly Amended on May 28, 2009]

Article 85 (Transfer of Commodity Receipt and Delivery Duties)

Where a public official responsible for the management of commodities is replaced, the duties shall be transferred to the successor within five days after such replacement is officially announced.

[This Article Wholly Amended on May 28, 2009]

Article 86 (Transfer by Other Staff Member)

Where a public official responsible for the management of commodities is unable to transfer the duties due to death or any other accident, the Mayor or the head of the organ to which such public official is employed shall assign a person designated by the Mayor or head from among the staff members under the supervision of such Mayor or head to perform transfer duties pursuant to Article 85.

[This Article Wholly Amended on May 28, 2009]

Article 87 (Procedures for Transfer)

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

[This Article Wholly Amended on May 28, 2009]

Article 88 (Transfer of Duties Arising out of Reorganization)

The head of the division in charge which belongs to an organ to be restructured or dissolved shall formulate a plan for the disposal of commodities under his or her jurisdiction and submit it to the officer who has overall responsibility of commodity management at least thirty days prior to such restructuring or dissolution and shall transfer commodities subject to disposal to a commodity receipt and delivery officer at least five days prior thereto.

[This Article Wholly Amended on May 28, 2009]

CHAPTER XIII SUPPLEMENTARY PROVISIONS

Article 89 (Imposition of Indemnity)

CHAPTER XIII SUPPLEMENTARY PROVISIONS(1) A person occupying the public property in question and where there is intention that any indemnity pursuant to Article 81 (1) of the Decree shall be imposed and collected shall be given notice of such imposition and collection in the form prescribed by rule of the Seoul Metropolitan Government in advance. <Amended on Jul. 13, 2017>

(2) A person occupying the public property in question who has an objection to the imposition and collection of an indemnity under paragraph (1) may provide an opinion in writing on an advance notice in the form prescribed by rule of the Seoul Metropolitan Government.

(3) Any indemnity pursuant to Article 81 of the Decree shall be collected by fiscal year however the indemnity in the preceding year shall be imposed and collected in March of the following year: Provided, That indemnity may be imposed and collected at any time if there is any extenuating reason such as the disposal of property or if otherwise deemed necessary. <Amended on Jan. 5, 2017>

[This Article Wholly Amended on May 28, 2009]

Article 90 (Payment of Indemnity in Installments)

(1) The payment of an indemnity in installments pursuant to Article 81 (1) of the Decree shall be as follows: <Amended on Jul. 28, 2011>

1. Deleted; <Jul. 28, 2011>

2. More than one million won but not more than two million won: Payments with a maximum of four installments within one year;

3. More than two million won but not more than three million won: Payments with a maximum of eight installments within two years;

4. More than three million won: Payments with a maximum of twelve installments within three years.

(2) Where a person who occupies public property without consent intends to pay an indemnity in installments pursuant to Article 81 (1) of the Decree, such person shall submit a written application for payment in installments prepared in the form prescribed by rule of the Seoul Metropolitan Government. <Amended on Jul. 13, 2017>

(3) Where an indemnity is paid in installments pursuant to Article 81 (1) of the Decree, an interest rate shall be determined and publicly notified by the Minister of the Interior and Safety. <Newly Inserted on Jan. 9, 2014; Mar. 23, 2017; Mar. 22, 2018; Mar. 22, 2018>

[This Article Wholly Amended on May 28, 2009]

[Title Amended on Jan. 9, 2014]

Article 90-2 (Special Cases concerning Collection of Indemnity)

(1) The collection deferment period of an indemnity pursuant to Article 81 (4) of the Decree shall be one year. <Amended on Jan. 7, 2016>

(2) Where applying for deferment of the collection of an indemnity, an application for deferment of indemnity collection shall be submitted in the form prescribed by rule of the Seoul Metropolitan Government. <Newly Inserted on Jan. 7, 2016; Jul. 13, 2017>

[This Article Newly Inserted on Jan. 2, 2015]

Article 91 (Payment of Reward for Reporting on Concealed Property)

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

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

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

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

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

(2) A reward may be paid after the concealed property is confirmed and registered as public property, and where there are at least two reporting persons, the initial reporting person shall be subject to the payment of the reward.

(3) No reward shall be paid to a person who voluntarily returns any concealed property and who falls under Article 85 of the Decree: Provided, That when the reporting person who is deemed to be certain to have acquired such reported property in good faith abandons the purchase thereof, the reward may be paid to such reporting person. <Amended on Jan. 5, 2017>

(4) The identity of a reporting person of concealed property or the details of a report thereon shall neither be made public nor disclosed to other persons.

[This Article Wholly Amended on May 28, 2009]

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

An interest rate on an additional charge to refund overpaid or erroneously paid money pursuant to Article 82 of the Decree shall be determined and publicly notified by the Minister of the Interior and Safety. <Amended on Mar. 23, 2017; Mar. 22, 2018; Mar. 22, 2018>

[This Article Newly Inserted on Jan. 9, 2014]

Article 92 (Application for Combination of Lots)

Where there is any land or forest land the combination of lots of which is possible among public property under the jurisdiction of the Mayor, such Mayor shall, without delay, apply for the combination to the head of the competent Si/Gun/Gu.

[This Article Wholly Amended on May 28, 2009]

Article 93 (Subdivision of Public Land into Lots)

Where there is any public land capable of being subdivided into lots by owned shares among public property under the jurisdiction of the Mayor, such Mayor may subdivide that land into lots in consideration of the form and use frequency of such land. For subdivision of land, the land shall be subdivided into lots in the manner in which the rate of value of each lot after such subdivision is the same as that of the said owned shares and the appraisal therefor shall be entrusted to an appraisal business entity established under the Act on Appraisal and Certified Appraisers. <Amended on Jan. 7, 2016; Jul. 13, 2017>

[This Article Wholly Amended on May 28, 2009]