



Ministry of Land,
Infrastructure and Transport

***Building Economical Base and Region-specific Regeneration through
'Choice and Concentration'!***

**Promote the New Government's City Regeneration Project for Re-
creation of Urban Space**

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- Presentation for Local Governments on New Government's City Regeneration Promotion Plan will be held on July 28

- MOLIT (minister Won Hee-Ryong) stated that it has analyzed and evaluated thoroughly the accomplishment and the limitation of urban regeneration project promoted for past 5 years through 4 times of expert consultation meetings (January, 2022) and open forum (June, 2022), etc. and will reflect 「New Government's Urban Regeneration Promotion Plan」 prepared considering the changed policy environment from new project of this year.
- **As a first stage for public offering of new project**, MOLIT will hold the **presentation for local governments** where the public officials of local governments across our country will attend and discuss the promotion direction of urban regeneration and public offering schedule, etc. on **July 28**.

① Major Contents of New Government's Urban Regeneration Promotion Plan

□ It has a plan to promote the urban regeneration project of new Government as follows based on 3 basic directions such as ① promotion of urban space innovation through building economic base of declining area, ② reinforcement of city competitiveness through customized region regeneration project and ③ leading the balanced regional development through active participation of region and private sector.

□ First, to maximize the project effect, restructure the business system into performance-oriented.

○ Merge existing 5 project types into 2 types of 「economic revitalization」 and 「region-specific regeneration」 and for new project, support the large project through choice and concentration by selecting about 40 projects every year.

* (Existing type) Economic base type, downtown type, general neighborhood type, innovation district

○ Maximize the project effects such as revitalization of economy, creation of job, etc. by evaluating directly “the project” instead of plan for urban regeneration and revitalization and by supporting the project with high level of completion, and,

- For the existing project, determine the support size of national expenditure every year by reflecting the promotion performance evaluation and for the project with poor performance, reduce the support budget.

□ Second, promote the innovation district project actively, which builds the base facilities having big economic effects on the declining original downtown for the economic revitalization. (Project example 📄 Reference 1)

- The innovation district refers to the project that develops complexly the functions of the city in the declining area such as residence, office, commerce, etc. and is promoted quickly by supporting finance, funds, etc* and by granting special permit** for city and construction such as mitigation of floor area ratio, etc.
- Third, for the region-specific regeneration, promote the city branding utilizing the resources by region and the customized regional project that promotes the preparation of the startup space, vitalization of central · alley commercial area, etc.
 - Promote the city branding such as reinforcement of storytelling utilizing regional resources such as history, culture of the region, building tourist · cultural base* and development of tourist course, etc.
 - Vitalize the central · alley commercial area by supporting the creation of space and the program comprehensively such as development of store brand* utilizing regional resources, building specialized street, commercial area consulting, etc.
 - Support Housing and Urban Fund to building shopping mall for rent, startup space and expand the fund of funds to foster economic subject such as startup · venture business, etc.
- Fourth, to activate the participation of private sector, expand and promote the private-authority participated REITs project, where the private and public sectors are collaborate from the business planning stage.
 - To do that, support the business planning and design, and consulting structured financing, etc. and institutionalize the construction cost verification procedure suggested by private sector.

- Together with them, it has a plan to develop actively 「private proposed REITs」 that the private sector plans the business in specific location and proposes it to the public sector preferentially
 - To mitigate the business risk and activate the participation of private sector, support the advance buying through national expense support and space support REITS when combining with urban regeneration project.
- Fifth, supply good quality housing by supporting the financing and special exception through the urban regeneration project implemented by public sector to activate the housing maintenance and the construction of infrastructure linking with diverse maintenance project.
- For the aged residential area, for which the housing maintenance project is hard to be implemented, expand the urban regeneration infrastructure such as parking lot, welfare facilities, etc. utilizing vacant houses for the place that requires urgent attention,
 - and for the effective village landscape improvement, support the housing repair* and the alley maintenance by linking them and expand the smart technology grafting**, too.
- In addition, reinforce the autonomy of local government in order for local government to select diverse business promotion systems utilizing the regional expertise.
- Simplify the procedure in order to compose and operate the urban regeneration support center, council, consultative body, etc, flexibly if necessary depending on the business characteristics, regional conditions, etc.
 - Convert the program and project* for the reinforcement of the resident competence in order to promote autonomously by local government and

Central Government promotes intensively the education of professionals and public officials of local government, and the project of fostering the professional manpower at local university.

- In addition, the organization of Urban Regeneration Project Planning Department at MOLIT was maintained, too, to perform the reorganized urban regeneration promotion plan efficiently and to implement the national policy tasks without problem.
- The name of each department* and the major functions have been changed on July 01 by reflecting the additional roles of economy revitalization base project, region-specific regeneration, the first new town regeneration, which are the national policy task, as well as existing urban regeneration project management tasks (488 projects).

② Public Offering Procedure for New Projects of This Year

- Out of this year's 40 new projects, it is planned that 10-innovation district and certification projects will be selected by central public offering and 30 region-specific regenerations and urban regeneration new deal projects will be selected by city and province public offering (for detailed project scale and public offering schedule)
- According to the merging of project types, the support amount of national expenses by project will be increased compared with existing and the support amount of national expense and the execution period are as follows.
- Particularly, in case of city · province public offering project, city · province can select the project autonomously within the total amount of city · province budget and it is planned that the national expense will be supported up to 130%

of the support base amount considering the project characteristics, etc.

- The promotion procedure of the central public offering is same as existing and it is proceeded with the procedure such as pre-consulting in August ~ September, receipt of project in September, feasibility assessment in September ~ November, discussion with related authorities in November, and review by special committee for urban regeneration and project selection in December, and
- City · Province public offering is promoted by integrating the existing city · province selection assessment and the feasibility assessment by Central Government for the rapid selection of project and simplification of procedure, and
- Accordingly, it is going to be proceeded in order of pre-consulting in August ~September, receipt of project in September, selection assessment in September ~ November, review by Special Urban Regeneration Committee and project selection in December.
- Local government, which desires to apply the project, should submit related documents, drawing, etc through homepage of Comprehensive Urban Regeneration Information System within the application receipt period.
- Kim Sang-Suk, director general of Urban Regeneration Project Planning Department at MOLIT stated “It is expected that the effects of regional economy vitalization, creation of employment, which are the original purpose of urban regeneration, would be maximized by supporting intensively the large project such as economic base building from existing project to supply living SOC according to new urban regeneration

promotion direction and we will make effort to select only the project that the performance is expected and having the plan with high level of completion when selecting new project in future”.