Summary

The Seoul Metropolitan Government needs to reset the purposes and targets of the Residential Environment Management Project (REMP), while establishing the foundation for cooperation among public authorities and residents that play key roles in the project governance.

1. Introduction

The Residential Environment Management Project (REMP), which was launched in 2010, is examined to evaluate its performance and identify its limits.

The REMP is responsible for improving residential condition of areas densely populated by single-family homes and multiplex houses\(^\text{17}\) and maintaining in a desirable state. It involves expanding infrastructures and building more public facilities. The Seoul Metropolitan Government (SMG) has been carrying out this project in pursuit of preserving low-rise residential areas in Seoul and promoting diverse residential arrangements across the city. The public sector supports the construction of infrastructures and public facilities for local residents, who in turn form

\(^{17}\) A multiplex house refers to a residential structure consisted of multiple single units similar to condominiums. In general, it is no higher than four stories and often regarded as a smaller version of an apartment house.
a community and strive to improve residential environment of their neighborhoods.

Since the SMG embarked on the Human Town Project\(^\text{18}\) in 2010, it had launched the REMP for total 63 areas (as of December 2015). For 17 of them, the government has either already completed the REMP (i.e. the construction of infrastructures and public facilities) or established neighborhood improvement plans. The rest are being considered as the REMP sites, and neighborhood improvement plans are being prepared for some of them.

The year 2015 marked the fifth year of the REMP. This report examines how the SMG has carried out over the past five years, identifying what it has achieved and failed. Based on the findings, it proposes the directions as to how the REMP and related policies need to be improved.

[Figure 1] The Designated Areas of the REMP

\(^\text{18}\) The Human Town Project is dedicated to improving the residential environment of low-income families, providing housing and improving the low-rise residential condition.
2. Main Findings

A recently enacted law pursuant to redeveloping deteriorated residential areas has laid a foundation for implementing the REMP.

In 2012, the grounds for undertaking the REMP were endorsed by the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents. Since then, the SMG secured the budget based on the institutional ground. Meanwhile, it has established a foundation for local communities to pursue urban regeneration.

The REMP comprises three steps: identifying final project sites; developing a neighborhood improvement plan with local dwellers; executing the project. SMG has enforced various policies to ensure that the project proceeds smoothly. In addition, it has revised the previous policy that induces local communities to participate in urban regeneration.

The REMP involves the following activities: improving road conditions, constructing community facilities, such as community centers, and constructing physical infrastructures, including roads, water and sewage systems, public parking lots, parks and CCTV. By the end of October 2015, the SMG had finished the public-sector project in 13 areas, of which 10 now have their newly built public facilities managed and operated by local residents.

Residents have become increasingly involved in the government’s planning in their neighborhoods. This recent trend has prompted a community to be created in areas where the residents previously did not engage in collective actions regarding such matters. Meanwhile, the SMG has been dispatching so-called “regeneration activists” to designated project areas to support residential communities. It also has implemented various policies and programs countenancing local residents to carry out home improvement. For instance, the SMG offers low-interest loans, provides consulting services, and subsidizes the cost of house repairing.
There exists inconsistency between the purposes of the REMP defined by the SMG and the means it employs to fulfill such purposes, causing the invigoration of housing improvement hindered

The purpose of the REMP is to preserve, improve and refurbish residential areas populated by low-rise houses. Yet the applicable law endorses the construction of apartment complexes by fully demolishing low-rise houses. It stipulates the procedures and specifics of such demolition projects. In other words, there are not enough institutional grounds for improving the living environment of low-rise residential areas. Nor is there sufficient institutional support for housing improvement. In particular, the absence of the system that aggressively promotes home improvement has led the private sector to become reluctant to carry out home improvement and use loan services that the public sector offers for such work.

On top of everything, the problem lies with the current law destitute of provisions for managing low-rise residential area. This inevitably reduces the motivation of district governments to take the initiative in the REMP. As a consequence, they do not work on encouraging their district residents to form communities and take collective actions in regard to the project. They also do not play a part in housing improvement. They only manage public facilities at present.

The improvement or refurbishment project for residential areas should be designed and implemented in accordance with physical and social characteristics of each area. In the case of the designated low-rise residential areas for the REMP, geographical connectivity between roadways has to be considered before anything else. SMG has, however, limited the scope of project to works such as improving road condition and pedestrian mobility, reorganizing and refurbishing parks and rest areas, and installing CCTV and security lights. This kind of passive project implementation can hardly invigorate housing improvement in deteriorated residential areas where the location and size of infrastructures are inconsistent.
The public sector needs to put more effort into inducing the participation of local residents in the REMP

In order to ensure that local dwellers play their roles as organizers and managers of the REMP, the public sector needs to actively promote the project to residents and persuade them to participate in the project. Yet no such work has been done. As a result, residents do not have complete understanding of the project and this deters the formation of consensus among them. And without the consensus, it is difficult for the district government that wishes to implement the project to even find a desirable site for the project. Even if they identify one, the residents may not approve it, leaving the whole project precluded. In fact, there have been numerous cases in which this happened.

Once the public sector determines a site for the REMP and establishes a plan with residents, it carries out the project and later leaves the operation of newly constructed public facilities in the hands of residents. Therefore, it is necessary to inform local dwellers as to the contents of the project that the SMG or other public entities are to carry out. Moreover, they should be educated and trained for the operation and management of public facilities that will be built in their neighborhoods. Yet there is currently no channel for residents to participate in the stages of project design and construction. Even if a project plan is drawn together with residents, it may end up being not used at the field. Consequently, residents may find new structures or services unsatisfactory. In some cases, they came to distrust the public sector.
The policy developed to promote the creation and collective action of residential community is being enforced without factoring in the capacity of residents to do such works and differences in the growth rate of each community

In principle, the entire community of a designated project area has to be involved in the REMP. However, only some small unrepresentative groups of residents participate in the project at present. One of the reasons why it is difficult for people to form a large community that can represent their entire neighborhood is that there is almost no support available for them to secure a meeting place to discuss and plan the project.

Another challenge that hinders the formation and maintenance of residential community is that most residents decide to create a community not because they believe in the necessity of such a group, but for they need a governing entity to run their public facilities. This burdens residents and hurts the solidarity and sustainability of their community.

In the stage of project planning, community activity takes place as residents participate in the workshop organized and led by urban planners responsible for the project. However, if residents lack the capacity to take the initiative to engage in collective action for themselves, their participation will wane upon when the project is executed. On top of this, most communities are short of manpower given that they are consisted of people in their 60s-70s. SMG dispatches regeneration activists to address such problems, but this cannot be a long-term solution: The community may become dependent on such workers, wounding up being unable to work without their support. All these problems manifest most starkly when the community submits a bid for contracts and projects to attract funding for their community activities and public facility operation. The majority of communities whose members are mostly old find it difficult to, for instance, fill out application form, prepare required financial statements, and carry out the project due to a lack of manpower with skills to do such works.
3. Conclusions & Policy Recommendations

Focus on improving and managing residential environment, while the target needs to be low-rise residences and detached houses.

SMG’s REMP needs to concentrate on low-rise residential areas and individual houses, continuing to improve their conditions and keeping them in a desirable state. The scope of the REMP has to include the reorganization of infrastructures in low-rise residential areas. Furthermore, the SMG needs to take a gradual approach to achieve the goals and carry out the project differently in each designated project site, taking into account the characteristics of area and its residents. The project must be designed and implemented in coalition among public authorities, residents and experts.
Differentiate the REMP from other existing projects to become the main means of managing low-rise residential areas

In order to differentiate the REMP from other existing projects, the SMG should first redefine its targets and contents. It would help ensure the project’s effectiveness in improving and managing the dwelling conditions of designated project areas. SMG needs to set the place that is densely populated by low-rise houses as the primary target area, and then amend the law in a way that zoning is the secondary consideration. On the other hand, the SMG needs to work on adding a separate provision in the law for an improvement plan pursuant to the REMP. It also needs to prescribe the particulars of residential environment management plan.

Next, the SMG has to enhance the support system for the REMP. It needs to develop and devise various systems to carry out REMP. Public authorities need to provide private contractors and residents with comprehensive assistance from multiple angles: They need to offer consulting services regarding housing improvement and subsidize the cost of making improvements for aesthetic and sanitary purposes as well as for energy conservation. While continuing to provide
loan support for housing improvement, the SMG needs to assign the beneficiaries with the responsibility to comply with its housing improvement requirements. It also needs to diversify support services by, for instance, providing residents with a space for temporary stay until the completion of project, offering tax benefits, and relaxing the regulations. SMG may extend the support to private contractors who make substantial contribution to the invigoration of housing improvement, giving them tax benefits and favorable loan services. Lastly, it needs to reinforce the role of public bodies as to housing improvement and community activity promotion. It can be achieved by regularly monitoring the project.

Divide the public-sector role into two parts: infrastructure improvement project and infrastructure expansion project. Next, carry out housing improvement by implementing either project that better suits the condition of designated project area.

In order to increase the effectiveness of the REMP in improving residential environment and raising the level of satisfaction felt by residents on the outcomes, the public-sector project must be divided into two parts: infrastructure improvement and infrastructure expansion projects. And then, the SMG can choose either one that better suits the condition of selected project site. They would serve as the foundation for housing improvement.

Current scope of the Residential Environment Management Project
Revised scope of the Residential Environment Management Project

[Figure 4] The Public-Sector Project of the REMP
The infrastructure improvement (Project Type 1) is no different from the current REMP. The infrastructure expansion project (Project Type 2), on the other hand, targets the impoverished residential area with extremely deteriorated infrastructures. For this project, the SMG and other public authorities should support the private-sector project for housing improvement, such as road expansion, readjusting lots, negotiating with residents about land ownership, and joint development. SMG has to come up with the standards by which it selects the area for the infrastructure expansion project. It needs to develop protocols for the operation of selection committee (i.e. the official group in charge of choosing the project site).

Set the goals and contents of the project according to the conditions of designated project areas. Then it can implement the project in three stages

SMG needs to adopt some changes in the way it carries out the REMP. It needs to first establish the goals and contents of the project by weighing the conditions and characteristics of each designated project area. Next it should execute the project in three stages, which are to be assigned with a stage-specific goal: At each stage from one to three, SMG needs to aim to enhance residents’ capacity, improve the residential environment, and invigorate community activities, respectively.

The goal of stage one is to build a residential community network in pursuit of enhancing residents’ capacity to effectively carry out the REMP. In this regard, the SMG can run a training program for residents for about a year. This would increase the practicality of housing improvement while encouraging and maintaining community activities.

The stage two is where the project is executed. Here the SMG had better concentrate on improving residential environment. This involves infrastructure reconstruction and housing improvement. They all need to be carried out based on the project plan drawn together by the government and residents. For housing improvement, the program should be implemented with the government’s support.
SMG has to lease the operation of temporary public facilities while pursuing a small-scale project that can trigger housing improvement, continuously giving residents the opportunity to build their capacity to run the project for themselves.

When the project reaches the stage three, the SMG needs to target the residential community of an area where its residents have been successfully trained in the stage two and become capable of carrying out housing improvement and managing their neighborhoods on their own. The government would concentrate on supporting them in conducting various activities concerning urban regeneration. In this sense, the SMG needs to construct public facilities and support a wide range of community activities. Moreover, it could organize budgets for the follow-up projects discussed when planning the REMP with local residents. And then, the SMG would aggressively implement those projects and ensure that the sites are prioritized as pilot areas for housing policy in the future.

[Figure 5] Stages of the REMP Implementation (tentative)

Find a way to establish the effective governance of the REMP

This report proposes herewith the directions for how to establish and promote the
effective governance amongst public administrations, residents and experts for the REMP.

First of all, the SMG has to provide residents with various types of support to induce them to actively engage in collective action and take the initiative in the project operation. This requires the SMG to design and run a suitable capacity building program by weighing the characteristics of residential communities. In addition, there needs a space open for community use all the time. SMG needs to develop and implement various models for the public facility establishment and operation that impose less burdens on both public authorities and residents. Moreover, the government supports have to begin from the early stage of the project, helping residents build their capacity and raise fund for running public facilities so that they can manage the facility operation on their own in the future.

Second, the SMG has to attach greater responsibility to public entities with regard to supporting residents. It is necessary to make district governments provide all-time support to residents in the designated REMP areas. Furthermore, the SMG would introduce a comprehensive management system for district governments to continue with managing residential areas and supporting community activities after the completion of the project. On top of this, the SMG must actively communicate with residents and cooperate with other authorities to ensure the efficacy of the project.

Third, the SMG has to train urban regeneration activists and involve them in the REMP. It needs to establish the institutional grounds for assigning them with relevant roles for the project. Moreover, a network of urban regeneration activists need be developed and organized.

Lastly, the SMG has to specify the roles of experts employed on behalf of residents and flexibly apply them according to the characteristics and needs of a designated project area. When drawing up the plan of the REMP, the SMG could ensure that it includes planning experts with full understanding of the process in which residents participate in the project. Moreover, it needs to support regeneration activists in their capacity building.
Improve the REMP by taking both short-term and long-term approaches

At present, the REMP only focuses on reorganizing infrastructures in low-rise residential areas. SMG needs to transform it into a more sustainable project, making improvements in the directions suggested earlier in this report. In particular, the project targets, purposes and goals must be clarified to increase its efficacy. And this work can be achieved by enhanced cooperation among public administrations, residents and experts. A newly improved REMP coupled with resident communities that have become more capable of carrying out the project on their own would help preserve low-rise residential areas while improving living conditions.

In regard to improving the REMP itself, the SMG would consider various factors such as the urgency of policy intervention and the time required for system installation. And then, it would take both short-term and long-term approaches. The former includes works that need to be dealt with right away due to the urgent need for policy intervention and that can be carried out in a short time. The latter, on the other hand, covers works that are relatively less urgent and consume a long period of time to prepare necessary groundwork for execution. Laying out the foundation for sustainable implementation of the whole project is also part of the long-term work.

For the short term, the SMG should work on adding a section on sustainable management of low-rise residential areas in the law while carrying out the REMP. For long term, however, the SMG needs to establish a separate institution for the sustainable management of low-rise residential areas. To further promote housing improvement, the SMG needs to consider paying more subsidies, offering more tax benefits and further relaxing the building regulations. These options should be carefully examined and categorized as long-term plans to establish the specifics for implementation. The monitoring system should be installed shortly, yet establishing the database required for the continuous monitoring of current housing status would need more time. Prioritizing the subsidization of designated areas at the stage three, implementing pilot projects and financially supporting urban regeneration activists should all be proceeded in the long term.