Addressing Urbanization Challenges:
New Town Development & Balanced Regional Development

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Overpopulation and Challenges of Urbanization

Short of infrastructure and services in all sectors

Exponential population growth

Inadequate housing supply to meet needs of population
Solutions for Land Supply

01 Public Water Reclamation

- Building river banks and trunk roads to control the flooding
- Creating new housing land inside the banks
- Using profits from the sale of the land to fund public projects

Disadvantages
- Building banks and roads restricted citizens’ access to the Han River
- Splendid view of the river became the privilege of those living in the houses located along the river
Solutions for Land Supply

02 Land Pooling

- **Replotting**
  The developer redefines the borderline of a particular piece of land before returning it to its owner.

- **Reproportioning**
  During replotting, only 30-70 percent of land is returned to the owner after an area required to cover the cost of building roads, parks, and other public facilities is deducted.

**Advantages**
- No land compensation being required
- Minimal civil complaints
- Easier participation in the project
- Ease of securing public land
- Less pressure for selling large scale housing land

**Disadvantages**
- Frequent delays in the project due to complicated procedures for planning replotting
- Limited efficiency in land use
- Risk of unfair distribution
- Possible grievances if the reproproportional rate is raised

Before development of Gangnam Area

1972

Today
### Public-led Development: New Town Development

#### 1st Generation New Town
(1989-1996)

<table>
<thead>
<tr>
<th>Policy Goal</th>
<th>Stabilizing housing prices and resolving housing shortage by expanding housing supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objectives</td>
<td>Emphasis on settlement, Resolving overcrowding in Seoul, Sharing urban functions of Seoul</td>
</tr>
<tr>
<td>Number of New Towns</td>
<td>5 new towns (20~25km)</td>
</tr>
<tr>
<td>Total Areas</td>
<td>50.14 km²</td>
</tr>
</tbody>
</table>

#### 2nd Generation New Town
(2001-2010)

<table>
<thead>
<tr>
<th>Policy Goal</th>
<th>Preventing urban sprawl and achieving sustainable urban development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objectives</td>
<td>Emphasis on green and self-sufficient, Establishment of hub cities in metropolitan region, Balanced regional development</td>
</tr>
<tr>
<td>Number of New Towns</td>
<td>13 new towns * 10 in Seoul Metropolitan Areas (40-45km away from Seoul), 2 in Local</td>
</tr>
<tr>
<td>Total Areas</td>
<td>163.7 km² (136.3 km² in Seoul Metropolitan Area)</td>
</tr>
</tbody>
</table>

![Diagram showing National New Township Projects in Seoul Metropolitan Area]
**Best Practice: Bundang (1st Generation New Town)**

<table>
<thead>
<tr>
<th>Purpose of Development</th>
<th>Create a self-sufficient town accessible to Gangnam’s commercial districts and serve as business and commercial center</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location / Area</td>
<td>25km southeast of Gangnam, Seoul / 19.64km²</td>
</tr>
<tr>
<td>Land Use Plan</td>
<td>Residential : 32.3%</td>
</tr>
<tr>
<td></td>
<td>Commercial &amp; Business : 8.35%</td>
</tr>
<tr>
<td></td>
<td>Public : 59.2% (Green Area : 19.4%)</td>
</tr>
<tr>
<td>Planned Population</td>
<td>390,500</td>
</tr>
<tr>
<td>Number of Households</td>
<td>97,500</td>
</tr>
</tbody>
</table>

- 292,000 units of houses supplied through development of 1st Generation New Towns
Best Practice: Pangyo (2nd Generation New Town)

<table>
<thead>
<tr>
<th>Purpose of Development</th>
<th>Prevent urban sprawls and supply land through planned public-led development; linked development with techno valley as strategy for self-sufficient economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location / Area</td>
<td>20km from Seoul city center, 10km from Gangnam district / 8.9km²</td>
</tr>
</tbody>
</table>
| Land Use Plan          | Residential: 26.6%  
Customer & Business: 3.1%  
Public: 70.3% (Green Area: 36.8%)                                                                                                      |
| Planned Population     | 87,798                                                                                                                                |
| Number of Households   | 29,000                                                                                                                                |

Today, Pangyo is home of 1,619 IT companies generating US$ 101,969 million Sales revenue (2021)
Widening gap between capital and non-capital

**Status of Imbalance**

- **50.5% (as of 2021)**
  - Population in the metropolitan area

- **81% (as of 2021)**
  - Use of credit card in the metropolitan area

- **92% (as of 2021)**
  - Headquarters of the largest 50 companies in the metropolitan area

**Seoul’s Living Condition in early 2000s**

- **14 km/h**
  - Travel Speed in Seoul (in 2005)

- **US$9.2 billion**
  - Cost of Traffic Congestion in the metropolitan area (in 2004)

- **89th**
  - Ranking of Quality of Life among 215 cities worldwide (in 2006)
Two Initiatives for Balanced National Development

Sejong Multifunctional Administrative City

Self-sufficient multifunctional city concentrating on administration

Area
- 72.9km² (1/8 of Seoul),
- 200,000 units of housing

Planned Population
- 500,000

47 central authorities and 16 national institutes relocated

Ten Innovative Cities

Self-sufficient multifunctional cities concentrating on regional economic development

Area
- 45km²,
- 100,000 units of housing

Planned Population
- 260,000 for 10 cities

No. of public companies relocated
- 112 companies

Local employment rate
- 28.6%

Registered population
- 224,019

No. of companies relocated
- 1,663

Initial Stage
- Relocation of central agencies
- Installation of urban infrastructure

Mature Stage
- Enhanced sustainability
- Improved urban infrastructure

Final Stage
- Complete sustainability
- Complete city
Innovative Smart & Green Elements of Sejong City

**Eco-friendly City**
- 52.4% Green and Water Areas
- 199.7 km Trekking Course
- 2,834 Kinds of plants
- 199.7 km Bicycle Roads
- 209 Parks in city
- Eco-friendly Rainwater Circulation

**Energy Independent City**
- 15% Renewable energy
- 238 Houses Certified zero energy building (level 3)
- 113 Buildings installed with automatic clean-net (household waste collection system)
- 60 Households in Zero Energy House village (average production of electric energy 400kW/month)

**Safe & Convenient City**
- 433 Bus Information Devices
- 22 VDS + 27 RSE Traffic Information Collection Device
- 281 km High-speed Network
- 82 Smart Services for Citizens
- 2,561 Crime Prevention CCTV's
Ten Innovative Cities

**Relocation of Public Organizations**

- **Total Relocated Public Organizations:** 112
- **Recruitment from the Region:** 28.6%
- **Population:** 224,019
- **Registered Private Companies:** 1,663

**Chungbuk**
- Information & Communication, Science & Technology, HR Development

**Jeonbuk**
- National Land & Management, Agriculture & Bio, Food Research

**Jeonnam**
- Information & Communication, Agricultural, Culture & Arts

**Gangwon**
- 12
  - Mining, Biomedical, Tourism

**Gyeongbuk**
- 12
  - Transportation, Agriculture
  - Innovation, Power Technology

**Daegu**
- 10
  - Industrial Promotion, Education & Academics, Gas

**Ulsan**
- 9
  - Energy, Workers’ Welfare, Occupational Safety

**Busan**
- 13
  - Maritime & Fisheries, Financial, Film Promotion

**Jeju**
- 13
  - International Exchange, Education & training, Tax Management

**Gyeongnam**
- 6
  - Housing, SMEs, National Pension
Best Practice: Gyeongnam Innovative City in Jinju

11 Public Organizations relocated with 4,249 employees (as of 2022)

Population

2015: 9,848
2022: 33,100
Increased 36.3%

86.8% achieved compared to the planned population

Residents’ Satisfaction of Settlement Conditions

Not satisfied
6.1%

Satisfied
52%

Average
43%

2nd place among 10 cities
Best Practice: Gyeongnam Innovative City in Jinju

**Economical Effects**

- **GRDP of Jinju City**
  - 2015: 64,000
  - 2019: 84,000
  - Increase: 14.6%

- **Number of Businesses in Innovative City District**
  - 2015: 300
  - 2019: 1,500
  - Increase: 686%

- **Local Tax Income in Gyeongnam Region**
  - 2015: 40,000
  - 2021: 120,000

- **Number of Workers in Innovative City District**
  - 2015: 5,000
  - 2019: 17,000
  - Increase: 173%
Lessons Learned

Capital-centered development
- Common feature during the early stage of urbanization
- Explosive growth of population in the capital region causes consecutive urban problems

Urban policy driven by housing and development challenges
- Housing shortage in the Capital area led the development of new towns in the outskirts of Seoul
- The new town development further intensified overcrowding in the Metropolitan area, exacerbating the imbalance problem between regions

Challenges of today
- Smarter and greener cities for sustainable and inclusive urban development
- Ongoing endeavor for balanced regional development and urban regeneration
Ongoing Journey toward Sustainable Cities

New Town Development

3rd Generation New Towns (by 2029), Green & Smart Cities

- 6 New Towns
- About 321m²
- 176 thousand households
- Within 30 min travel time from Seoul

![Map of New Town Development]

Cities with happy children
Cities with plenty of jobs
Cities that grow into green and smart cities

Balanced National Development

Equity in Lifestyle, Independent Self-Sufficiency, and Hope for All

3rd Phase of Multifunctional Administrative City Sejong – Completion Stage

- Becoming the nation’s administrative capital
- Completing urban infrastructure & self-sufficient city

More Public Organizations will be relocated to the 10 Innovative Cities

Presidential Committee for Decentralization and Balanced Development launched in July 2023

- To implement policies for further balanced national development
- Emphasis on empowering the local governments

Urban Regeneration

Transforming Aging Cities through Strengthening their Competitiveness

Toward Sustainability and Value Capture of Urban Space

- Central Government
- Residents
- Private Sector
- Academia

- Promote urban space innovation
- Strengthen cities’ competitiveness
- Promote balanced regional development
- Supply quality housing and support the installation of infrastructure
Thank You