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ACT ON SPECIAL MEASURES ON DESIGNATION AND MANAGEMENT OF DEVELOPMENT-RESTRICTED AREAS

[Effective from Jan. 1, 2010] [Act No. 9629, Apr. 22, 2009, Amendment of Other Laws and Regulations]

Ministry of Land, Transport and Marine Affairs (Urban Environment Section),

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Article 1 (Purpose)

The purpose of this Act is to prescribe matters necessary for designating development-restricted areas under the provisions of Article 38 of the National Land Planning and Utilization Act, limiting acts performed in such development-restricted areas, supporting residents, purchasing land and efficiently managing the development-restricted areas in order to prevent uncontrolled proliferation of cities and to secure the healthy living environment for urbanites through the conservation of natural environment surrounding the cities.

Article 2 (Duties of State, Etc.)

- (1) The State and local governments shall faithfully manage development-restricted areas to attain the objective of designating such development-restricted areas.
- (2) People shall cooperate with the State and local governments in their work of managing development-restricted areas and strive not to damage such development-

restricted areas.

Article 3 (Designation, Etc of Development-Restricted Areas)

- (1) Where it is deemed necessary to restrict the urban development in order to prevent the uncontrolled proliferation of cities and secure the healthy living environment for urbanites through the conservation of natural environments surrounding the cities or where a need to restrict the urban development for the national security upon request from the Minister of National Defense is recognized, the Minister of Land, Transport and Marine Affairs (hereafter referred to as the “Minister”) may make a decision for designation or cancellation of the development-restricted areas according to an Urban Management Plan.
- (2) Standards for designation and cancellation of development-restricted areas shall be determined by Presidential Decree after comprehensively considering the economic - social conditions, such as the population, industry, traffic and land use of the city, the trend of the city expansion and other natural environment, such as topography.

Article 4 (Planning of Urban Management Regarding Designation, Etc of Development-Restricted Areas)

- (1) An Urban Management Plan in respect to the designation and cancellation of development-restricted areas (hereafter referred to as the “Urban Management Plan”) shall be planned by the Special Metropolitan City Mayor, the Metropolitan City Mayor, the Special Autonomous *Do* Governor or the mayor or the head of *Gun* (hereafter referred to as the “Planner”) who has jurisdiction over the urban region. *Provided*, that where an Urban Management Plan is related with a State plan, the Minister may devise the Urban Management Plan on his/her own initiative or work out the Urban Management Plan after hearing the opinion of the jurisdictional Special Metropolitan City Mayor, Metropolitan City Mayor, *Do* Governor, Special Autonomous *Do* Governor (hereafter referred to as the “City/*Do* Governor”), the mayor and the head of *Gun* upon request of the head of the concerned central administrative agencies and where such Urban Management Plan is related with a metropolitan urban plan under Article 2, Subsection 1 of the National Land Planning and Utilization Act, the *Do* Governor may devise the Urban Management Plan on his/her own initiative or work out it after hearing the opinion of the jurisdictional mayor or head of *Gun* upon request of such mayor or head of *Gun*. concerned after.
<Amended by Act No. 9436, Feb. 6, 2009>

- (2) Any Urban Management Plan shall be mapped out in a manner consistent with a metropolitan urban plan under Article 2, Subsection 1 of the National Land Planning and Utilization Act or a basic urban plan under the same Article, Subsection 3.
- (3) In connection with the standards and methods for making out urban Management Plan drawings and their explanations made in respect to development-restricted areas, the provisions of Article 25, Sections (2) through (4) of the National Land Planning and Utilization Act shall apply *mutatis mutandis*.
- (4) Where a Planner devises an Urban Management Plan in respect to the cancellation of development-restricted areas according to Section (1), the Planner shall include a specific scheme for making use of the areas (hereafter referred to as the “Areas Entitled to Lifting”) lift restrictions of the development-restricted areas, including but not limited to, their development plan and a scheme for managing the areas surrounding the damaged areas (referring to places where it is difficult that such facilities as buildings or structures are clustered or those are scattered, the areas are not functioning fully as green land, irrespective of their legality or illegality; hereafter referred to as the “Damaged Areas”) that has not been lifted and is within the development-restricted areas, including but not limited to, their restoration method in the Urban Management Plan. In such case, the scope of the damaged areas to be restored shall be determined by the Minister after consultation with the Planner after going through the deliberation of the Central Urban Planning Committee pursuant to Article 106 of the National Land Planning and Utilization Act within the scope equivalent to 10/100~20/20 of the area of the Areas Entitled to Lifting. <This Article Newly Inserted by Act No. 9436, Feb. 6, 2009>
- (5) The Damaged Areas to be restored in accordance with the latter part of Section (4) shall be restored by a developer (hereafter referred to as the “Developer”) who has been given a decision (referring to a district unit-based plan decision under Article 49, Subsection 1 of the National Land Planning and Utilization Act, including the district unit-based decisions whose fictitious consultation has been underwent in accordance with other laws and regulations; hereafter referred to as the “Development Plan Decision”) of a plan in respect to the development project of the Areas Entitled to Lifting. <Newly Inserted by Act No. 9436, Feb. 6, 2009>
- (6) Notwithstanding the provisions of Sections (4) and (5), the Planner or Developer may neither offer a restoration plan for the Damaged Areas referred to as Section (4) nor restore the same Damaged Areas referred to as Section (5), where the Minister recognizes that there are any inevitable reasons, such as no Damaged Areas in the City/*Gun/Gu* and their neighboring City/*Gun/Gu* after consultation with the Central Urban Planning Committee under Article 106 of the National Land Planning and Utilization Act. <Newly Inserted by Act No. 9436, Feb. 6, 2009>

- (7) Matters necessary for the method and costs, etc. for restoring the Damaged Areas referred to as in Sections (4) and (5) shall be determined by Presidential Decree. <Newly Inserted by Act No. 9436, Feb. 6, 2009>

Article 5 (Special Cases for Re-designating Development-Restricted Areas Whose Designation is Cancelled)

- (1) In the case where the contents of an Urban Management Plan (referring to the Urban Management Plan under Article 2, Subparagraph 4 of the National Land Planning and Utilization Act; hereafter, the same shall apply in this Article) determined for the first time after the designation of a Development-Restricted Area is cancelled because it does not meet the purpose or usage of such cancellation, the Minister may request the Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor or the head of *Gun* who has jurisdiction over the cancelled area to adjust the Urban Management Plan by defining a reasonable period of time within three months after the date of its decision and public announcement. In such case, the Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor or the head of *Gun* shall review and adjust the Urban Management Plan again.
- (2) If the Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor or the head of *Gun* has been requested for adjustments as provided in Section (1) but fails to adjust the Urban Management Plan as requested by the Minister until the due date referred to in Section (1), the Minister, notwithstanding Article 4, Section (1), may, on his/her own initiative, draw up the Urban Management Plan in which the cancelled area is re-designated as a Development-Restricted Area. In that case, Articles 6 and 7 shall not apply.

Article 6 (Basic Survey)

- (1) When the Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor or the head of *Gun* intends to set up an Urban Management Plan, he/she shall investigate or survey the population, economy, society, culture, transportation, environment, land utilization, or matters necessary for setting up an Urban Management Plan among the matters as determined by Presidential Decree in advance as prescribed by Presidential Decree.
- (2) In the event of accessing the land of another person for investigation or survey

referred to in Section (1) or indemnifying any loss incurred thereby, the provisions of Articles 130 and 131 of the National Land Planning and Utilization Act shall apply *mutatis mutandis*.

Article 7 (Hearing Opinions of Residents and Local Council)

- (1) When devising an Urban Management Plan in accordance with Article 4, the Minister, the city/*Do* Governor, mayor or the head of *Gun* shall hear opinions of residents and if such opinions are recognized as appropriate, he/she shall reflect the opinions in the Urban Management Plan, *provided*, that the same shall not apply to matters which must be kept confidential or secret for national defense (limited to matters which the Minister of National Defense requests) or other minor items as determined by Presidential Decree.
- (2) In the event of devising an Urban Management Plan according to the proviso of Article 4, Section (1), the Minister or *Do* Governor shall furnish a proposed Urban Management Plan indicating a due date for hearing the opinions of residents to the relevant Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor, or the head of *Gun*.
- (3) The Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor, or the head of *Gun* who has received a proposed Urban Management Plan in accordance with Section (2) shall hear the opinions of residents with respect to the same Urban Management Plan until the due date indicated and submit the results to the Minister or *Do* Governor.
- (4) Matters necessary for hearing the opinions of residents referred to in Section (1) shall be determined by ordinance of the local government in accordance with the standards prescribed by Presidential Decree.
- (5) When drawing up an Urban Management Plan, the Minister, city/*Do* Governor, mayor, or the head of *Gun* shall hear the opinions of the concerned local council with respect to the matters prescribed by Presidential Decree.
- (6) In the event that the Minister, city/*Do* Governor hears the opinions of the local council in accordance with Section (5), the provisions of Sections (2) and (3) shall apply *mutatis mutandis*. In such case, the "residents" shall be deemed a "local council."

Article 8 (Determination of Urban Management Plan)

- (1) Any Urban Management Plan shall be determined by the Minister.
- (2) When intending to determinate an Urban Management Plan, the Minister shall hold consultation with the head of the concerned central administrative agency in advance. In such case, the head of the central administrative agency that has been requested to consult shall offer his/her opinion within 30 days after receipt of such a request.
- (3) The Minister shall, when intending to determine an Urban Management Plan, go through a deliberation of the Central Urban Planning Committee according to the provisions of Article 106 of the National Land Planning and Utilization Act.
- (4) When deeming it necessary for maintaining confidentiality for national defense (limited to matters which the Minister of National Defense requests), the Minister may omit the procedures referred to in Sections (2) and (3) in whole or in part of such Urban Management Plan.
- (5) In the event of changing a determined Urban Management Plan, the provisions of Sections (2) through (4) shall apply *mutatis mutandis, provided*, that the same shall not apply to minor items determined by Presidential Decree.
- (6) After the Minister has determined an Urban Management Plan, he/she shall make a public notice thereof as prescribed by Presidential Decree and allow the public to access the related documents for perusal. In such case, the Minister shall forward the related documents in respect to the Urban Management Plan determined by him/her to the Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor, or the head of *Gun* for public perusal.
- (7) The determination of any Urban Management Plan shall come into effect five days after the date of its public notice in accordance with Section (6).

Article 9 (Public Notice of Topographical Drawing Regarding Urban Management Plan)

- (1) After the determination of any Urban Management Plan has been publicly announced in accordance with Article 8, Section (6), the Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor, or the head of *Gun* shall make out the drawings (hereinafter referred to as "Topographical Drawing") which are matters regarding the Urban Management Plan specified in the

topographical map to indicate the record of the land registration as prescribed by Presidential Decree.

- (2) The mayor or the head of *Gun* shall, in the event of making out a Topographical Drawing in accordance with Section (1), obtain the *Do* Governor's approval. In such case, the *Do* Governor who received an application for a request of approval shall approve the Topographical Drawing within a period as determined by Presidential Decree, when no mistake or error has been found after cross-checking such Topographical Drawing with the determined and publicly noticed Urban Management Plan.
- (3) In the event that the Minister has devised an Urban Management Plan on his/her own initiative, he/she may make out a Topographical Drawing directly after hearing the opinion of the concerned Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor, or the head of *Gun*, notwithstanding the provisions of Sections (1) and (2).
- (4) In the event of making out a Topographical Drawing on his/her own initiative or approving the Topographical Drawing, the Minister shall make a public notice of the same Topographical Drawing as prescribed by Presidential Decree and forward its related documents to the concerned Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor or the head of *Gun*. In such case, the concerned Special Metropolitan City Mayor, Metropolitan City Mayor, Special Autonomous *Do* Governor, mayor, or the head of *Gun* that has been forwarded the relevant documents shall allow people to access to such related documents for perusal.
- (5) Public notice of a determination of an Urban Management Plan by using a Topographical Drawing in which a land register exceeding the scale determined by Presidential Decree has been marked may be substituted for a public notice referred to in Section (4) with a public notice of such Urban Management Plan without making out an additional Topographical Drawing. In such case, the above-mentioned fact shall be recorded in the contents of the public notice of the Urban Management Plan's decision.

Article 10 (Invalidation of Determination of Urban Management Plan)

- (1) Where no Topographical Drawing under Article 9, Section (4) has been publicly noticed by the time two years have passed from the date on which a determination of an Urban Management Plan was publicly noticed (excluding the case of substituting

for the public notice of a Topographical Drawing in accordance with Article 9, Section (5)), the determination of such Urban Management Plan shall lose its validity on the date following the date on which those two years have elapsed.

- (2) In the event that the validity of the determination of an Urban Management Plan has been lost in accordance with Section (1), the Minister shall immediately publicly announce the fact as prescribed by Presidential Decree.

Article 11 (Establishment, Etc of Development-Restricted Area Management Plan)

- (1) The city/*Do* Governor having jurisdiction over development-restricted areas shall establish a development-restricted area management plan (hereinafter referred to as "Management Plan") which includes the matters of the following subsections on a five year basis in order to manage the development-restricted areas in a comprehensive way and obtain the Minister's approval.

1. Goal and basic direction of managing the development-restricted areas;
2. Survey on the status and actual conditions of the development-restricted areas;
3. Land utilization and conservation in development-restricted areas;
4. Installation of urban planning facilities (hereinafter referred to the "Urban Planning Facilities") pursuant to Article 2, Subsection 7 of the National Land Planning and Utilization Act in the development-restricted areas;
5. Construction of buildings which exceed the scale as determined by Presidential Decree and alteration of the shape and quality of land in the development-restricted areas;
6. Designation and refurbishment of settlement districts referred to in Article 15;
7. Resident support project (hereinafter referred to as the "Resident Support Project") referred to in Article 16;
8. Provision and operation of financial resources required for managing development-restricted areas and for the Resident Support Project; and
9. Other matters as determined by Presidential Decree for rationally managing development-restricted areas.

- (2) A city/*Do* Governor who intends to change a Management Plan shall obtain the

Minister's approval, *provided*, however, that the same shall not apply to the minor items as determined by Presidential Decree.

- (3) Where a development-restricted area extends over more than two Special Metropolitan Cities, Metropolitan Cities, *Dos*, the relevant cities *Do* Governors shall jointly establish a Management Plan or designate a person who is to establish such a Management Plan by an agreement between them. If the cities/*Do* Governors fail to reach an agreement, the Minister shall designate a person who will draw up such Management Plan.
- (4) The Mayor/*Do* Governor who intends to work out a Management Plan shall hear the opinion of the relevant city mayor, head of *Gun/Gu* (referring to the head of the autonomous *Gu*, hereinafter the same shall apply) in advance and go through a deliberation of the Local Urban Planning Committee under Article 113 of the National Land Planning and Utilization Act.
- (5) The Special Autonomous *Do* Governor or the relevant city mayor, head of *Gun* or head of *Gu* who intends to suggest his/her opinion in respect to the Management Plan according to Section (4) shall hear opinions of residents in advance as prescribed by Presidential Decree, *provided*, that the same shall not apply to things that are required to be kept confidential or secret for the sake of national defense.
- (6) In the event of granting his/her approval for the establishment or alteration of a Management Plan pursuant to Section (1) or (2), the Minister shall first consult with the heads of the central administrative agencies and then go through a deliberation of the Central Urban Planning Committee referred to in Article 106 of the National Land Planning and Utilization Act.
- (7) The city mayor/*Do* Governor who has obtained approval for the establishment or alteration of a Management Plan according to Section (1) or (2) shall publicly announce the content of such Management Plan as prescribed by Presidential Decree and allow the public to access the Management Plan for public perusal.
- (8) When managing development-restricted areas, such as permission for constructing buildings or structures, permission for altering the shape and quality of land and designation of settlement districts and implementation of Resident Support Project referred to in Article 15, the city/*Do* Governor and the city mayor or the head of *Gun/Gu* shall not violate the Management Plan.
- (9) The basic principle of establishing a Management Plan, standards for making out plans and drawings in respect to managing development-restricted areas and other matters necessary for setting up a Management Plan shall be determined by the

Minister.

Article 12 (Limitations on Acts in Development-Restricted Areas)

(1) Construction of buildings and alteration of their usage, installation of structures, alteration of the shape and quality of lands, deforestation of bamboos and trees, division of lands, act of piling up goods, or undertaking of Urban Planning Projects (hereinafter referred to as the "Urban Planning Projects") referred to in Article 2, Subsection 11 of the National Land Planning and Utilization Act in the development-restricted areas shall be prohibited; *Provided*, that any person who intends to perform an act falling under any of the following subsections shall obtain a permission of the Special Autonomous *Do* Governor, city mayor or the head of *Gun/Gu* (hereafter referred to as the "City Mayor - head of *Gun/Gu*") in order to perform such act. <Amended by Act No. 9436, Feb. 6, 2009>

1. Construction or installation of buildings or installation of structures which fall under any of the following subparagraphs and are determined by Presidential Decree, and the alteration of the shape and quality of lands accompanied by such buildings or structures:
 - (a) Facilities which help retain, preserve and maintain development-restricted areas, such as parks, green land and outdoor sports facilities, etc;
 - (b) Linear facilities which pass through development-restricted areas, such as roads and railroads, and the required facilities needed to be accompanied by those roads and railroads;
 - (c) Facilities which must be moved into the development-restricted areas in order to achieve their functions and purposes because of inappropriateness of their move into the area other than development-restricted areas;
 - (d) National defense and military facilities and correctional institutions; and
 - (e) Residential, life convenience and occupational facilities of residents in development-restricted areas;
2. Relocation of the buildings in development-restricted areas to the Settlement District designated according to Article 15;
3. Formation of the relocation complexes in order to remove and reconstruct the

buildings which have been demolished due to implementation of public-interest projects under Article 4 of the Act on Acquisition and Compensation of Land, Etc. for Public Projects (limited to public interest projects being undertaken in the development-restricted area);

4. Alteration of the shape and quality of land as determined by Presidential Decree, for the purpose of farming as an alteration of the shape and quality of land which is not accompanied by the construction of any building;
 5. Deforestation of bamboos and trees conducted beyond the deforestation area, quantity of those bamboos and trees, and the scale as determined by Presidential Decree;
 6. Division of land within the scope as determined by Presidential Decree;
 7. An act of piling up articles as prescribed by Presidential Decree, such as sand, gravel, earth and stones, until the period as determined by Presidential Decree; and
 8. An act of altering the use of the buildings as determined by Presidential Decree among the buildings referred to in Subparagraph 1 or Article 13, to that prescribed by Presidential Decree, such as neighboring living facilities.
- (2) Notwithstanding the proviso of Section (1), the acts as determined by Presidential Decree, such as grand repair of houses and neighboring living facilities may be done after filing a report thereof to the City Mayor - head of *Gun/Gu*.
- (3) Notwithstanding the provision of Section (1) and the provision of Section (2), minor acts as prescribed by Ordinance of the Ministry of Land, Transport and Marine Affairs may be performed without obtaining permission or making a report.
- (4) The City Mayor, or head of *Gun/Gu* who intends to grant permission for the construction of buildings or the alteration of the shape and quality of lands, etc. beyond the scale as determined by Presidential Decree among the acts as provided in Section (1) shall hear opinions of residents, consult with the heads of the concerned administrative agencies and then go through a deliberation of the Special Autonomous *Do, city, Gun, or Gu's* Urban Planning Committee, as prescribed by Presidential Decree; *Provided*, that the same shall not apply to the installation of Urban Planning Facilities or the facilities falling on Section (1), Subsection 1, item (g) and the alteration of the shape and quality of land to install the facilities thereof.
- (5) In the event of granting permission in accordance with the proviso of Section (1), the provisions in respect to performance guarantees and restoration to original state under Article 60 and Article 64, Sections (3) and (4) of the National Land Planning and

Utilization Act and the provision of the inspection on work completion under Article 62 of the same Act shall apply *mutatis mutandis*.

- (6) For the acts described in each subparagraph of Section (1) and the acts referred to in Section (2), any person who has already commenced his/her work or project after obtaining permission, etc. (including the work or project for which do not need permission, etc. in accordance with the respective laws and regulations) in accordance with the relevant laws and regulations at the time of designating a development-restricted area may continue to execute his/her work or project as prescribed by Presidential Decree.
- (7) Detailed standards for permission or report, such as the scale, height, criterion for move-in of the buildings or structures subject to permission or reporting under the proviso of Section (1), gardening in the lot, the building-to-land ratio, the floor space ratio, and the division of land and the scope of altering the shape and quality of land shall be determined by Presidential Decree.
- (8) In the event that the Minister or city mayor/*Do* Governor has publicly announced an implementation plan in accordance with Article 91 of the National Land Planning and Utilization Act in order to install the facilities for public use referred to in Section (1), Subsection 1, item (a), the Urban Planning Facilities' project shall be deemed as having been permitted under the proviso of Section (1).
- (9) A person who intends to receive fictitious permission according to Section (8) shall submit relevant documents necessary for such permission at the time of applying for authorization of an implementation plan, and when the Minister or the city mayor/*Do* Governor prepares or authorizes the implementation plan, he/she shall consult with the City Mayor or head of *Gun/Gu* having jurisdiction in advance. <Newly Inserted by Act No. 7595, Jul. 13, 2005>

Article 13 (Special Cases for the Buildings, Etc. in Existence)

Where sites, buildings or structures already in existence when any of the events as determined by Presidential Decree occur that are not in congruity with this Act due to the amendment or abrogation of the act or other events as determined by Presidential Decree, the City Mayor or head of *Gun/Gu* may grant permission for constructing such buildings or installing the structures as prescribed by Presidential Decree.

Article 13-2 (Notification of Permission or Report, Etc)

The City Mayor or head of *Gun/Gu* (in the event of going through a consultation on a fictitious permission or report referred to in Article 12, Sections (1) and (2) or Article 13 of other laws and regulations, referring to the permission granter or the person who was given a report) who has granted permission or has received a report pursuant to the proviso of Article 12, Section (1) and Section (2) or Article 13 shall immediately inform the Minister of the content thereof. <This Article Newly Inserted by Act No. 9436, Feb. 6, 2009>

Article 13-3 (Organization, Operation, Etc of a Management Computer Network of Development-Restricted Areas)

- (1) The Minister may organize and operate a management computer network of development-restricted areas (referred to as the “Management Computer Network”) in order to efficiently designate and manage the development-restricted areas.
- (2) The Minister may request the heads of local autonomous bodies to submit materials or provide information necessary for organizing and operating the Management Computer Network, and the heads of such local autonomous bodies that have been requested shall accept such request so long as there is not any special reason.
- (3) When the heads of local autonomous bodies submit materials or provide information in accordance with Section (2), it shall be deemed as a notification referred to in Article 13-2 and Article 22, Section (2) was given and materials were submitted or information under Article 30, Section (5) was provided.
- (4) The necessary matters pertaining to organization and operation of a Management Computer Network shall be subject to the conditions as prescribed by the Minister.

<This Article Newly Inserted by Act No. 9436, Feb. 6, 2009>

Article 14 (Relations with Other Laws and Regulations)

- (1) For the matters for which permission is granted in accordance with the proviso of Article 12, Section (1) or Article 13 and of which the City Mayor or head of *Gun/Gu* have consulted with the heads of the relevant administrative agencies according to Section (2), permission, consultation and reports falling under any of the following

subparagraphs shall be deemed as having been granted.

1. Permission for and report of, the exclusive use of mountainous districts under Articles 14 and 15 of the Mountainous District Control Act and permission for and report of deforesting the standing timbers under Article 36, Sections (1) and (4) of the Act on Formation and Management of Forest Resources;
 2. Permission of or a report on the acts under Article 7, Section (4) of the Water Supply and Waterworks Installation Act;
 3. Permission for occupying the urban park under Article 24, Section (1) of the Act on Urban Parks and Green Areas, Etc and permission of the acts in the urban natural park zone under the proviso of Article 27, Section (1) of the same Act; and
 4. Permission for occupying a river under Article 33 of the River Act and permission for using the river water under the proviso of Article 27, Section (1) of the same Act.
- (2) In the event that the City Mayor or head of *Gun/Gu* has granted permission in accordance with the proviso of Article 12, Section (1) or Article 13 and reported to the City Mayor or head of *Gun/Gu* in accordance with Article 12, Section (2), if the matters described in Section (1) are included, the City Mayor or head of *Gun/Gu* shall consult with the heads of the relevant administrative agencies in advance.

Article 15 (Special Cases for Settlement District)

- (1) The City/*Do* Governor may designate a district where residents collectively reside in a development-restricted area (including any relocation complex under Article 12 Section (1), Subsection 3) as a settlement district (hereinafter referred to as the "Settlement District") in accordance with Article 37, Section (1), Subsection 8 of the National Land Planning and Utilization Act.
- (2) Matters in respect to the standards for designation and the rearrangement of Settlement Districts, such as the number of houses making up a Settlement District, the number of houses per unit area and the criteria for drawing boundaries of Settlement Districts shall be determined by Presidential Decree.
- (3) The use, height, total floor area and building-to-land ratio of buildings in a Settlement District shall be determined by Presidential Decree, notwithstanding the provisions of Article 12, Section (7).

Article 16 (Resident Support Project, Etc <Amended by Act No. 9436, Feb. 6, 2009>)

- (1) The City Mayor or head of *Gun/Gu* may perform projects falling under any of the following subsections according to a Management Plan. <Amended by Act No. 9436, Feb. 6, 2009>
1. Supporting projects for living benefit, welfare improvement and subsidy for living expenses, etc. of residents in a development-restricted area; and
 2. Recovery projects of damaged areas for preservation and management of development- restricted area.
- (2) The Minister may financially support expenses required for projects described in any of the Subsections under Section (1) by using the wide area or regional development special accounts in accordance with the Special Act on Balanced National Development. In such case, the standard and amount for such financial support shall be determined by the Minister, taking into consideration in a comprehensive way of the affairs in respect to the corrective order in Article 30, affairs in respect to imposition and levy of the penalty fees for compulsory performance in Article 30-2, performance of treating the affairs in respect to imposition and levy of fines for negligence in Article 34 and the situation of managing development-restricted areas. <Amended by Act No. 9436, Feb. 6, 2009; Act No. 9629, Apr. 22, 2009>
- (3) The Minister may give priority financial support houses being built in Settlement Districts designated in accordance with Article 14, Section (1) by using the National Housing Fund under the Housing Act.
- (4) Details of the projects referred to in Section (1) and the matters necessary for undertaking such projects shall be prescribed by Presidential Decree. <Amended by Act No. 9436, Feb. 6, 2009>

Article 17 (Request for Land Purchase)

- (1) Where the designation of a development-restricted area makes the owner of a land located in such a development-restricted area unable to use his/her land for the hitherto purpose and thereby significantly decreases the usefulness of his/her land or makes the use and benefit of the same land virtually impossible (hereinafter referred to as the "Land Subject to Purchase") and the owner of the same land falls under any of the

following subsections, the owner may request the Minister to purchase the land.

1. A person who has continuously owned the land from the time of designation of a development-restricted area;
 2. A person who has acquired and continuously owned it before the use and benefit of the land becomes impossible virtually; and
 3. A person who has been inherited and continuously owned the land from the individual who falls on Subparagraph 1 or 2.
- (2) The Minister shall purchase the land in the event that the land which has been requested for purchase in accordance with Section (1) falls under the standards referred to in Section (3).
- (3) Specific criteria for judging the Land Subject to Purchase shall be determined by Presidential Decree.

Article 18 (Procedures, Etc for Requesting for Land Purchase)

- (1) The Minister shall notify a requester for land purchase of whether or not he/she will purchase such requester's land and the estimated purchasing prices, etc. within two months after the date of receipt of such request.
- (2) In the event of having notified a requester of the land subject to purchase in accordance with Section (1), the Minister shall draw up a purchase plan and purchase the same land subject to purchase within a period determined by Presidential Decree in the scope of not more than five years.
- (3) The prices of purchasing the Land Subject to Purchase (hereinafter referred to as the "purchasing prices") shall be an amount appraised on the basis of declared land values under the Act on Public Notice of Value and Appraisal of Real Estate, given the location, shape, environment, current utilization, etc of such land. In such case, the period and method for calculating the purchase prices shall be determined by Presidential Decree.
- (4) Any land purchased in accordance with the provisions of Sections (1) through (3) shall be reverted to the wide area regional development special accounts' assets in accordance with the Special Act on Balanced National Development. <Amended by Act No. 9629, Apr. 22, 2009>

- (5) In the event of purchasing land in accordance with the provisions of Sections (1) through (3), the procedures for purchasing the land and other necessary matters shall be determined by Presidential Decree.

Article 19 (Bearing of Costs)

- (1) The Minister shall bear costs required to make an appraisal, etc. for calculating purchasing prices.
- (2) Notwithstanding the forgoing Section (1), in the event that any requester for purchasing land withdraws his/her bid for land purchase without any justifiable reasons, the Minister may impose the requester to defray the costs resulting from the appraisal, in whole or in part, as prescribed by Presidential Decree. *Provided*, that the same shall not apply to the case falling under any of the following Subsections.
1. Where the purchasing prices comparing to the estimated purchasing prices are decreasing below the rates as determined by Presidential Decree; and
 2. Where the cause of requesting for land purchase under the provisions of Article 17, Section (1) becomes extinct due to a cause as determined by Presidential Decree, such as the amendment or abrogation of laws and regulations or the extinguishment of the source of pollution, etc.
- (3) If a requester for land purchase fails to pay costs due and payable according to the main part other than each subsection of Section (2), such costs shall be levied according to the examples of a disposition taken to collect national taxes in arrears.

Article 20 (Purchase of Land, Etc. through Consultations)

- (1) In order to achieve the purpose of designating development-restricted areas, the Minister may purchase the lands and their fixtures (hereinafter referred to as "land, etc.") in the development-restricted areas through consultations with their owners, if necessary. In such case, the provisions of Article 18, Section (4) shall apply *mutatis mutandis* to the reversion of the purchased land, etc.
- (2) In the event of purchasing land, etc. in a development-restricted area through consultations in accordance with Section (1), the provisions of Article 67, Section (1), Articles 70, 71, 74, 75, 76 and 77, and Article 78, Sections (5), (6) and (9) of the Act

on the Acquisition and Compensation of Land, Etc. for Public Benefit shall apply *mutatis mutandis* to the period, method and standards for calculating their prices.

Article 21(Charges for Development-Restricted Areas Preservation <Amended by Act No. 9436, Feb. 6, 2009>)

(1) In order to secure financial resources to preserve and manage the development-restricted area, the Minister may impose or levy charges for development-restricted areas preservation (hereinafter referred to as the "charges") on persons who fall under any of the following Subsections. <Amended by Act No. 9436, Feb. 6, 2009>

1. Any person who is a Developer in the Areas Entitled to Lifting and fails to suggest a restoration plan or does not intend to restore it in accordance with Article 6, Section (6); and

2. Any person who has been granted permission (limited to permission for altering the shape and quality of lands or permission for constructing buildings and including the case where permission was granted through consultations which permission is fictitious in accordance with the proviso of Article 12, Section (1) or Article 13 pursuant to other laws and regulations) in accordance with the proviso of Article 12, Section (1) or Article 13.

(2) Where a person who must pay charges (hereinafter referred to as "charges payment obligor") is an association as determined by Presidential Decree and such an association falls on any of the following subsections, members of the same association (in the event that the association is dissolved, referring to the members of the same association at the time of dissolution) shall pay such charges;

1. Where the association is dissolved; and

2. Where the property of the association is not sufficient for paying the charges, additional dues, etc., imposed or to be paid.

Article 22 (Notification of Data for Imposition of Charges)

(1) If a decision-maker for a Development Plan of the Areas Entitled to Lifting referred to Article 4, Section (5) has made a decision for such Development Plan, he/she shall inform the Minister of the fact.

(2) In the event that the City Mayor or head of *Gun/Gu* (referring to the person entitled to grant permission in the event that the permission under the proviso of Article 12, Section (1) or Article 13 is deemed to be granted by going through consultations in accordance with other laws and regulations) has granted permission in accordance with the proviso of Article 12, Section (1) or Article 13, he/she shall immediately inform the Minister of such permission.

[Wholly Amended by Act No. 9436, Feb. 6, 2009]

Article 23 Deleted <By Act No. 9436, Feb. 6, 2009>

Article 24 (Standards for Calculating Charges)

(1) The charges referred to in Article 21, Section (1), Subsection 1 shall be calculated by multiplying 10/100 of the average amount of the individually published land prices of the land per square meter for the Areas Subject to Lifting by the area of the relevant region. In such case, the area of seas and rivers shall be excluded.

(2) Charges referred to in Article 21, Section (1), Subsection 2 shall be calculated in the following equation;

Charges = (average amount of individually published land prices of the land category located in area other than the development-restricted areas of cities, *Guns* or autonomous *Gus* where a development-restricted area is located – individually published land price of the land subject to permission) x double of the area of alteration of the shape and quality of the land permitted and the floor area of the building x imposition ratios per facilities defined in the attached table within the scope of 150/100.

(3) The individually published land prices referred to in Sections (1) and (2) shall be based on the individually published land prices publicly noticed immediately before the decision of Development Plan of the Areas Subject to Lifting referred to in Article 4, Section (5) and permission under the proviso of Article 12, Section (1) or Article 13 are made.

(4) Other necessary matters concerning calculation of the Charges shall be determined by Presidential Decree.

[Wholly Amended by Act No. 9436, Feb. 6, 2009]

Article 25 (Imposition, Collection and Payment, Etc. of Charges)

- (1) The Minister who has been informed of the content of permission referred to in Article 22 shall immediately impose the charges and impose on the person who has not restored under Article 4, Section (4) the charges referred to in Article 21, Section (1), Subsection 1. <Amended by Act No. 9436, Feb. 6, 2009>
- (2) The due date of paying the charges referred to in Article 21, Section (1), Subsection 1 shall be six months (due date of payment under the proviso of Section (1) shall be one month) after the imposition while the due date of paying the charges referred to in Article 1, Section (1), Subsection 2 shall be one month after imposition: *Provided*, that payment of the charges under Article 21, Section (1), Subsection 1 may be delayed or paid in installments with the permission of the Minister within the scope of not more than one year in the case which unavoidable reasons are recognized. <Amended by Act No. 9436, Feb. 6, 2009>
- (3) The charges, in principle, shall be paid in cash: *Provided*, that upon receipt of a request from a charges payment obligor, the Minister may allow the charges payment obligor to pay such charges with the land subject to imposition or the similar land, as prescribed by Presidential Decree.
- (4) In the event that a charges payment obligor fails to pay the charges within the fixed time limit, the Minister shall issue a donning note to him/her on him within 10 days after the lapse of such fixed time limit. In this case, the time limit for paying such charges shall be 15 days from the date when such donning note is issued.
- (5) In the event that a charges payment obligor fails to pay the charges within the fixed time limit described in Section (2), the Minister may impose additional dues equivalent to 5/100 of the Charges.
- (6) In the event that a charges payment obligor fails to pay the charges and additional dues by a fixed time limit after having received a donning note, the Minister may cancel the decision or permission concerned or collect such charges and additional dues according to the examples of disposition taken to collect national taxes in arrears. <Amended by Act No. 9436, Feb. 6, 2009>
- (7) If the area of the Areas Subject to Lifting is decreased due to a cancellation of a decision of a Development Plan for the Areas Subject to Lifting referred to in Article

4, Section (5) and permission referred to in Article 30, change of the project plan or for similar reason, the Minister shall refund to the person who paid the charges the money amounting to the charges as prescribed by Presidential Decree. <Amended by Act No. 9436, Feb. 6, 2009>

(8) Necessary matters concerning the method of and procedures for imposing, collecting, paying and refunding the charges, etc. shall be determined by Presidential Decree.

Article 26 (Reversion and Use of Charges)

(1) The collected charges shall be reverted to the wide area or regional development special accounts in accordance with the Special Act on Balanced National Development. <Amended by Act No. 9436, Feb. 6, 2009>

(2) The charges shall be used for the purpose falling under each of the following Subsections. : <Amended by Act No. 9436, Feb. 6, 2009>

1. Resident Support Projects referred to in Article 16, Section (1);
2. Purchase of Land Etc. referred to in Articles 17 and 20;
3. Restoration of the Damaged Areas, park-marking projects, creation of artificial forestation and formulation of leisurely sports facilities in the development-restricted areas;
4. Investigation and research on the designation or cancellation of development-restricted areas; and
5. Prevention and control of unlawful acts in the development-restricted areas.

Article 27 (Raising of Objection)

(1) Any person who falls under any of the following Subsections may raise an objection to the Central Land Expropriation Committee under the Act on Acquisition and Compensation of Land, Etc. for Public Projects.

1. Anyone who has not satisfied with the decision on whether to purchase the land notified in accordance with Article 18 or the Purchasing Prices; and

2. Anyone who objects to the imposition or collection of the charges referred to in Article 21.

(2) Any objection raised under Section (1) shall be deliberated, resolved and re-decided by the Central Land Expropriation Committee, notwithstanding the provisions of Article 6 and Article 6-2 of the Administrative Appeals Act. <Amended by Act No. 9436, Feb. 6, 2009>

Article 28 (Reversion of Public Facilities)

The provisions of Article 65 of the National Land Planning and Utilization Act shall apply *mutatis mutandis* to the reversion of public facilities which have been installed under the permission pursuant to the proviso of Article 12, Section (1) and which fall under the provisions of Article 2, Subsection 13 of the National Land Planning and Utilization Act.

Article 29 (Delegation and Entrustment of Authority)

(1) The Minister may delegate part of his/her authority under this Act to the City/*Do* Governor, City Mayor or the head of *Gun/Gu* as prescribed by Presidential Decree.

(2) The Minister may entrust the official business in respect of purchasing land, etc. under the provisions of Articles 17 through 20 to the institutions or organizations which are engaged in the business of acquiring and managing land, etc. as prescribed by Presidential Decree.

Article 30 (Administrative Dispositions Taken against Violators of Laws and Regulations, Etc.)

(1) In the event of detecting an act falling under any of the following subsections, the City Mayor or the head of *Gun/Gu* may revoke the permission and order the person who has performed such act (including the owners, managers or occupiers of the buildings, structures or lands used for the violated act; hereafter referred to as the “violator of acts, etc.”) to suspend operations or to demolish, close down, reconstruct, or transfer the buildings and structures, etc or take other necessary measures (hereafter referred to as the “corrective order”). <Amended by Act No. 9436, Feb. 6, 20095>

1. An act of constructing buildings or changing their use, installing structures, altering the shape and quality of lands, dividing lands, piling up articles, cutting down bamboos and trees or undertaking an Urban Planning Project without permission under the proviso of Article 12, Section (1) or Article 13 or in violation of the contention of the same permission;
 2. An act of having obtained permission under the proviso of Article 12, Section (1) or Article 13 in a fraudulent or other unlawful manner; and
 3. An act of constructing buildings or changing their use, installing structures, altering the shape and quality of lands, dividing lands, piling up articles, cutting down bamboos and trees or undertaking an Urban Planning Project without a report under Article 12, Section (2) or in violation of the contention of the same report.
- (2) In the case where the City Mayor or the head of *Gun/Gu* is negligent in executing the affairs in respect to the corrective orders, the Minister may order the relevant City Mayor or head of *Gun/Gu* to thoroughly execute such affairs by defining their period. In such case, in the event that the order is not delivered, the Minister may issue a corrective order in person or make the head of the regional Construction Management Administration having jurisdiction over the region execute the same affairs, notwithstanding the provisions of Section (1) (the same shall apply to the affairs in respect of imposition and collection of charges for compelling the execution under Article 30-2 and the affairs in respect to imposition and collection of fines for negligence under Article 34). <Newly Inserted by Act No. 9436, Feb. 6, 2009>
- (3) The Minister (limited to the case which the Minister issues a corrective order in person or makes the head of the regional Construction Management Administration having jurisdiction over the region execute the same affairs in accordance with the provision of Section (2). The same shall apply to Sections (4) through (6) below) may request the City Mayor or head of *Gun/Gu* concerned to revoke the permission for a person who may conduct profit-making purposes or habitual violator of acts among the violators of acts referred to in Section (1). <Newly Inserted by Act No. 9436, Feb. 6, 2009>
- (4) The City Mayor or head of *Gun/Gu* who has been requested to revoke permission in accordance with Section (3) shall revoke such permission and inform the Minister of its result unless there exists any special reason not do so. <Newly Inserted by Act No. 9436, Feb. 6, 2009>
- (5) The Minister may ask the City Mayor or the head of *Gun/Gu* to provide necessary materials or information in respect to the order referred to in Section (2), and those who have been requested shall comply with the request unless there exists any special

reason not to do so. <Newly Inserted by Act No. 9436, Feb. 6, 2009>

- (6) In the event of issuing a corrective order to a Violator of Acts in accordance with Section (2), the Minister shall inform the City Mayor or the head of *Gun/Gu* concerned of the act.
- (7) The City Mayor or the head of *Gun/Gu* who intends to revoke permission in accordance with Sections (1) and (4) shall hold a hearing. <Amended by Act No. 9436, Feb. 6, 2009>

Article 30-2 (Charges of Compelling Execution)

- (1) The City Mayor or the head of *Gun/Gu* shall impose charges of compelling the execution within the scope of not more than 100 million won on a person who has been given a corrective order as provided in Article 30, Section (1) and has not acted upon such corrective order within a correction period.
- (2) The City Mayor or the head of *Gun/Gu* shall give to the person a prior written notice stating that, in the event that the person fails to act upon a corrective order by the given period, the charges of compelling the execution will be imposed and collected by defining a considerable period prior to an imposition of such charges of compelling the execution.
- (3) In the event of imposing the charges of compelling the execution described in Section (1), the City Mayor or head of *Gun/Gu* shall make out a document stating the amount and reason for imposition, due date, institutions to receive payment, methods for objection, etc of such charges of compelling the execution.
- (4) The City Mayor or the head of *Gun/Gu* may impose and collect the charges of compelling the execution referred to in Section (1) repeatedly until the corrective order which have been served within a scope of twice a year following the date after issuance of the initial corrective order.
- (5) If a person who has been given a correction order described in Article 30, Section (1) delivers such corrective order, the City Mayor or the head of *Gun/Gu* shall suspend the imposition of new charges of compelling the execution and the charges of compelling the execution already imposed shall be collected.
- (6) In the event that anyone fails to pay the charges of compelling the execution within the due date described in Section (3), the City Mayor or the head of *Gun/Gu* shall take

the examples of a disposition taken to collect national taxes in arrears.

(7) In the event of imposing and collecting the charges of compelling the execution in accordance with Article 30, Section (2), the Minister shall inform the City Mayor or the head of *Gun/Gu* having jurisdiction of the fact.

(8) The standards for imposing the charges of compelling the execution provided in Section (1) or other necessary matters shall be determined by Presidential Decree.

[This Article Newly Inserted by Act No. 9436, Feb. 6, 2009]

Article 31 (Penal Provisions)

Any person falling under any of the following subsections shall be punished by imprisonment for not more than three years and by a fine not exceeding 30 million won:

1. A person who has constructed buildings or altered their use, installed structures, altered the shape and quality of lands, cut down bamboos and trees, divided lands, piled up articles or undertaken an Urban Planning Project without obtaining permission referred to in the proviso of Article 12, Section (1) or Article 13 or in violation of the content of such permission for a profit-taking purpose or habitually;
2. A person who has not delivered a corrective order referred to in Article 30, Section (1) habitually; and
3. A person who has obtained permission referred to in the proviso of Article 12, Section (1) or Article 13 in a fraudulent or otherwise unlawful manner.

[Wholly Amended by Act No. 9436, Feb. 6, 2009]

Article 32 (Penal Provisions)

Any person falling under any of the following subsections shall be punished by imprisonment for not more than one year and by a fine not exceeding 10 million won:

1. A person who has constructed buildings or altered their use, installed structures, altered the shape and quality of lands, cut down bamboos and trees, divided lands, piled up articles or undertaken an Urban Planning Project without obtaining permission referred to in the proviso of Article 12, Section (1) or Article 13 or in

violation of the content of such permission; and

2. A person who has not delivered a corrective order referred to in Article 30, Section (1). [Wholly Amended by Act No. 9436, Feb. 6, 2009]

Article 33 (Joint Penal Provisions)

If the representative of a corporation, or the agent, the employed or any other employee of the corporation or an individual commits an offense violating Article 31 or 32 in connection with the business of such a corporation and individual, the corporation or the individual shall be fined according to the relevant Article, in addition to the punishment of the person performing such an act; *Provided*, that in the event that the corporation or individual is not negligent in delivering a considerable amount of care and supervision in respect to the concerned business in order to prevent the said offense, the first sentence shall not apply.

[Wholly Amended by Act No. 9436, Feb. 6, 2009]

Article 34 (Fine for Negligence)

- (1) Any person who has committed a minor act as prescribed by Presidential Decree without filing a report in violation of Article 12, Section (2) shall be punished by a fine for negligence not exceeding five million won.
- (2) The fine for negligence referred to in Section (1) shall be imposed and collected by the City Mayor or the head of *Gun/Gu* as prescribed by Presidential Decree.
- (3) In the event of imposing and collecting a fine for negligence in accordance with Article 30, Section (2), the Minister shall inform the City Mayor or the head of *Gun/Gu* having jurisdiction of the fact. <Amended by Act No. 9436, Feb. 6, 2009>
- (4) Deleted <By Act No. 9436, Feb. 6, 2009>
- (5) Deleted

ADDENDA (Special Act on Balanced National Development)

<Act No. 9629, Apr. 22, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation; *Provided*, that ... <Omitted> ..., Article 6, Sections (1), Section (2), ... <deleted> ..., Addenda shall enter into force on January 1, 2010, respectively.

Articles 2 through 5 Omitted.

Article 6 (Amendment of Other Laws and Regulations)

(1) Omitted

(2) Part of the partial amendment of the Act on Special Measures on Designation and Management of Development-Restricted Areas, Act No. 9436 shall be amended as follows;

“The Balanced National Development Special Accounts referred to in the Special Act on Balanced National Development” in Article 16, Section (2) shall be amended as the “the wide area or regional development special accounts referred to in the Special Act on Balanced National Development.”

“The Balanced National Development Special Accounts referred to in the Special Act on Balanced National Development” in Article 18, Section (4) shall be amended as “the wide area or regional development special accounts referred to in the Special Act on Balanced National Development.”

“The Balanced National Development Special Accounts referred to in the Special Act on Balanced National Development” in Article 26, Section (1) shall be amended as “the wide area or regional development special accounts referred to in the Special Act on Balanced National Development.”

Sections (3) through (16) Omitted.

Article 7 Omitted