

CLEARANCE TO BE MODERN: DOWNTOWN RENEWAL POLICY IN SEOUL, 1960S~1990S

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Introduction

Once a walled, gated historic core, Seoul's downtown has undergone a constant change to be a center of 500,000 jobs, 75,000 businesses, and 2 million daily visitors in the course of the late twentieth century. Downtown renewal program has been a prime agent of the change. Conceived as main instrument to modernize the city center in the poor years of 1960s, it made Seoul the location of one of the world's most aggressive downtown renewals. More than 370 acres have been designated as renewal districts of which 102 districts underwent a radical clearance to build more than 100 high-rise modern buildings.

Seoul's downtown renewal program has two unique features. One is its philosophical orientation about urban change: the underlying premise is that downtown can only be modernized by clearing its old physical legacies to provide new roads, parking and tall, large buildings. The other is its implementation technique: Seoul's renewal program has depended on private investment, rarely employing public financing. These two features make Seoul downtown renewal unique as an urban management tool vis-à-vis its environmental outcomes. By interpreting downtown policy and its urban manifestation, the paper examines the lessons of Seoul's downtown renewal

experience: how the program has evolved and what social values and planning implications it entails.

Evolution of Downtown Renewal Program

Seoul's downtown area was founded some 600 years ago as a capital city of the Chosun Dynasty (1394~1910). Up until 1920s, it maintained old legacies in development pattern: traditional wooden court houses fully covering irregularly-shaped small lots that were interwoven by narrow, zigzagged and often dead-end street network. Through the subsequent years of Colonial period (1910~1945), the physical condition of downtown had not been much improved. Rather, through the post-war years of the 1950s and 60s, many portion of downtown was occupied by illegal structures built by those who immigrated to Seoul at the overwhelming magnitude. Amid the national poverty, landowners were not able to build new, decent buildings, and even building materials were in short supply. The image of downtown Seoul was one of shantytowns in the poor economy: deteriorated buildings, narrow streets, and lack of utilities and common facilities. Downtown living was overcrowded and unsanitary.

It was not until the mid-1960s, downtown renewal caught serious policy attention. The city's annual report of 1965 first showed the emerging concern for urban renewal in Seoul. Although there is no direct use of the term of downtown renewal, the city considered the renewing the old city center as one of the major administrative issues. City planners thought that the area, to perform urban function properly, should be renewed with modern buildings, utilities and infrastructures. Otherwise, they worried, downtown would be under condition of slum. The city thought that, thanks to the cement industry in Korea, no difficulty was expected to replace existing wooden structures to fireproof building. The modern high-rise buildings with adequate road and parking, however, deemed difficult to build since land ownership was so finely divided on the traditional cadastral pattern. Thus the City found itself in the need of some kind of urban renewal apparatus: the clearance renewal

appeared the only way to save downtown area.

It was in 1965 that Urban Planning Act first introduced “renewal” district where, once designated, the redevelopment project could be taken place. In the following year of 1966, the first downtown renewal district was designated. The designation of renewal district alone, however, was not sufficient to carry out redevelopment, since it required assembling the finely-divided property ownership into one unit of redevelopment.

According to Sohn (1998), downtown renewal caught another policy attention in the occasion of US President Johnson’s visit to Korea in 1968. As the slum areas near the site of the welcome ceremony were televised to America, Korean-American community, being ashamed of physical images of their mother country, made a strong petition for immediate downtown improvement. This voice succeeded to stimulate the positive response of then President Park Jung Hee, who saw Seoul’s downtown renewal was in conformity with his national development agenda.

As President Park, with unchallengeable centralized leadership, take into account the city rebuilding as important national agenda, aggressive downtown renewal became to occupy one of the top priorities of Seoul’s administration. In 1971, urban renewal was first integrated into a formal function of the Planning Department of the City and was also first included into one of planning elements of Seoul’s Comprehensive Plan. The city officials paid a visit to Japan to learn their advanced renewal method: especially their rearrangement technique of property ownership.

Thus 1971 revision of Urban Planning Act refined its renewal tool by stipulating various clauses such as the criteria of district designation, project procedures, and property ownership rearrangement among others. Increasingly, more downtown areas were designated as renewal district, where new construction of individual buildings was not allowed for larger joint development. But, district designation alone did not guarantee the project completion. In an effort to facilitate the redevelopment, downtown renewal districts were overlaid by Special Block Improvement District, a kind of overlay zoning district where once designated, the landowners must complete the project no later than the time frame the city set out. Otherwise,

the city could take responsibility of project execution or order the third party to take the project. Further, based on 1972 Temporal Law of Special Area Development Promotion, renewal districts were eligible to some of tax benefit including property tax, property transaction tax and acquisition tax.

Despite these promotions, Seoul did not see the significant progress of downtown renewal. For more active and systematic downtown renewal, new Urban Renewal Act was enacted in 1976. It was the first law that served exclusively for urban renewal project. The law stipulated that local cities with population of more than 1 million, should carry out systematic district designation and project execution by formulating long-range master plan for downtown renewal. Based upon this law, Seoul's first Downtown Renewal Master Plan was formulated in 1978.

The first Downtown Renewal Master Plan envisioned that virtually entire downtown area should be under consideration of renewal, whether it was clearance or rehabilitation, incorporating even downtown fringe areas such as Shinsul-dong. So ambitious, it planned some 976 acres to be designated as renewal district over the three phases in addition to already designated 229 acres of renewal districts. The Plan shows how the downtown renewal policy was perceived as urban policy at this time. Downtown renewal was viewed as not simply a tool of renewing the deteriorated areas: it was also regarded as a tool for restructuring urban functions according to Seoul's Comprehensive Plan. It was perceived as a promising way for dispersing the overly concentrated downtown functions to sub-centers and outlying areas.

Although downtown renewal was not so popular as the city envisioned, Seoul began to see the downtown traffic congestion due in part to downtown renewal in the late 1970s. The 1979 annual report of Seoul set forth a new direction of downtown renewal policy: from active renewal to more selective one. Thus, while renewal was still encouraged, land use became more selective to exclude such people-gathering uses as hotel, department store, and various entertainment uses. The city also pursued less dense development by applying lower floor area ratio (FAR), ground coverage ratio (GCR) and building height.

In the early 1980s, downtown renewal once again saw the momentum as

Seoul became a host city of 1986 Asian Games and 1988 Olympic Games. The city administration was focused on the preparation of these unprecedented international events. Modernizing the urban environment became the prime goal of city administration and urban renewal was deemed as a vital means to achieve this in a short period of time. To prepare 1988 Olympics, 5-year Downtown Renewal Plan was formulated: 124 districts (covering 152 acres) along the major thoroughfares were the targets of speedy improvement because they were within the immediate visual exposures. From 1982 to 1986, they were to be cleaned completely.

To support this policy orientation, Urban Renewal Act was revised in 1982 to facilitate renewal project. The revised law enabled the governmental development agencies and the private construction company to execute redevelopment project as a principal developer. Land owners' association was also granted the power of eminent domain if the association was willing to carry out the project. Many of procedural steps were simplified towards more streamlined and speedy redevelopment. Further, the special density bonus of FAR was granted for renewal projects exclusively. Yet downtown renewal was not proceeded as the city officials anticipated, due to skyrocketing land price and increasing vacant rates in downtown area. Nonetheless, the city enthusiastically pursued renewal project in selected areas deemed essential to improve city images: Yang-dong, Kwangwhamun, and Ulchiro among others.

As those 1988 international events passed by, downtown renewal has not received as much serious policy attention as the 1970s and 1980s. Nonetheless, downtown renewal has stayed as a main tool of downtown policies, since most of renewal districts were already designated: more than 90 percent of 375 acres of current renewal district were designated in the 1970s and 80s. Without significant expansion of renewal district, the 1990s saw some policy changes in relation to downtown environment. What was introduced was density bonus system to encourage the provision of the housing mix, public open space, and various cultural facilities in each redevelopment project. Although downtown renewal was no longer among the top policy issues in the 1990s, it continued its project execution developing about 5 projects each

year in average, until IMF bailout situation nearly froze downtown development in the late 1990s.

Mechanisms of Downtown Renewal Program

Despite all the differences in policy emphasis over the decades, the nature of Seoul's downtown renewal remains fairly same from its inception years. It takes a clearance-based, market-driven approach.

At the initial stage of renewal program, the policy makers at the national and local levels recognized downtown could only be modernized by entirely renewing its physical structure. Throughout the 1960s to 1990s, this notion has been maintained, as manifested in the increasing designation of renewal districts and their redevelopment plans. Without exception, therefore, all 104 renewal projects, completed or under progress, have employed the radical site clearance. Ignoring the existing traditional fabrics entirely, the redevelopment plan proposed new subdivision producing several large, rectangular building sites along with new access roads, parking sites and public parks (Figure 1). Thus, in this approach, designating certain area as renewal district means mandating lot assembly towards a forced joint development. For this reason, not only individual improvement was not allowed, but also the power of eminent domain was given to the developer, whether it is public agencies or private entities.

From the early years to date, Seoul's downtown renewal has heavily relied on private investment. At the beginning stage of the late 1960s, the city had considered more direct involvement as one of possible development methods. Like American Renewal in the 1960 (Alonso, 1966), Seoul considered more active role in urban renewal: property purchasing, building demolition, site clearance and improvement, provision of infrastructure would be conducted by the city before selling the building sites to private developer. Unable, or unwilling, to provide public resources, the city of Seoul has never took this spectrum of role, heavily relying on private investment. As a public initiator, the city of Seoul has only designated renewal district and formulated

redevelopment plan, which dictated new subdivision and some development standards. Using land readjustment technique, some 20 percent of land were set aside for road, parking and park. Therefore, the execution of downtown renewal has been a market-driven venture, where the project has only progressed for the private development entity to perceive the market feasibility of the development.

Thus the process of Seoul's downtown renewal goes 1) to designate renewal district in order to force the lot assembly, 2) to make subdivision plan securing orderly development of large-scale buildings and common facilities, and then 3) to wait the private investment for the realization of the plan.

Physical Consequences and Emerging Issues

From its inception year of 1966 to date, the current renewal policy has designated a total of 324 "Renewal Districts," covering 375 acres (some 30 percent of historically significant portion of downtown). Among them, 82 districts are completed, 26 under construction and 216 still intact (Figure 2).

The size of renewal district varies: from less than 2 acres to more than 50 acres. Certain districts contain single building site, while some are subdivided into more than 50 building sites. The size of building sites also varies: from 0.5 acre to 1.8 acres with average of about one acre. On the variety of sites, the buildings are typically in the range of 10 to 20 stories, although recent buildings tend to be higher with the highest of 36 stories. The average building floor space is some 320,000 square feet with average ground coverage ratio (GCR) 0.44 and average floor area ratio (FAR) 5.84. Although GCR remain fairly same at around 0.4, the buildings are increasingly getting bigger as manifested in increasing FAR: the recent building typically takes around FAR 10.

More than half of space provided by renewal project is in use of office space. Some 10 percent are used as commercial and 4 percent for hotel. Approximately 2 percent of space have been dedicated to housing. In average, the downtown renewal district dedicated some 20 percent of land for public

use such as road, park and parking, although their portions varied district by district.

Table 1. Outcome of Downtown Renewal

	Planned	Completed / Acquired
Building	457 building	127 buildings
Road	19.5km	3.8km
Park	12.5 acres	3 acres
Parking	2,200 spaces	500 spaces

Source: Seoul Metropolitan Government, Seoul Downtown Renewal Master Plan, 2000.

Through these developments, downtown renewal has produced 127 new high-rise buildings, each with 15 stories and 335,000 square feet in average. In total, some 40 million square feet of office and commercial space were supplied. Additionally, downtown renewal has provided 3.8km of road (6~20 meters wide), 3 acres of park and 500 parking spaces. If all renewal area is to be finished as planned, the total of 457 buildings, 19.5km of road, 12.5 acres of park and 2,200 parking spaces will be in service in downtown Seoul.

These outcomes can be regarded as a contribution of downtown renewal. Although new high-rise modern buildings can be supplied by general infill development, it is only through renewal method that the building development comes along with the provision of infrastructure and common facilities. Eradicating the problems of sanitation and fire, downtown renewal has given Seoul's historic core wholly different look and function of the modern city. Yet, despite these contributions, there emerges a host of criticism against downtown renewal. The reason for this criticism derives from the unique character of Seoul's downtown renewal: its clearance-based and market-driven approach. This method could be justified in the years of national poverty where neither individual property owners nor public agencies were able to provide new buildings and adequate capital

improvement. However, with changing social context of downtown management, this nature of Seoul's downtown renewal invites the debate of various environmental issues as follows.

Loss of historic character and place identity

After 30 years of aggressive modernization of old quarters, downtown renewal is under attack of planners, architects, and citizen groups. They argue that clearance-based redevelopment has destroyed historic character and place identity of downtown area. Founded some 600 years ago and changed incrementally over time, Seoul's downtown has various time-honored qualities: historic buildings and districts, traditional urban fabric, human-scaled places to which people have strong emotional ties. Seoul's downtown is full of historical memories and cultural meanings. Not all of them were destroyed by renewal projects, but many of them disappeared under the clearance process of renewal projects.

Loss of street vitality is another issue arising from downtown renewal. Traditional main street character, lined by small-unit shops, has created a visually pleasant, pedestrian friendly environment. It is this street that makes downtown alive day and night and seven days a week. Narrow alleys behind main streets are also nurturing vital nightlife scene in downtown, a character that should be an envy of North American cities.

Yet, as the clearance renewal swept the area, they were replaced by parking lots and landscaped space, making the streets uninviting. For example, on weekend, while other areas are bustling with downtown shoppers and visitors, the redevelopment districts are often noted empty. Neither expensive street landscaping nor mid-block urban park, that renewal policy has been so eager to realize, does attract people and remains unused.

Deterring Effect of Private Capital Investment

Another problem of the current downtown renewal is that it fosters the deterioration of the renewal district over the long period of time. Since Seoul's

renewal heavily relies on private investment, the designation of renewal district does not guarantee the project execution, as Figure 3 demonstrates. To private developer, it is a risky and time-consuming venture: they have to endure long permit process and competitive real estate market (Kim, 1999). Redevelopment project only occurs when there is market demand satisfying project feasibility. District designation alone does not make redevelopment project happen.

More than 65 percent of 104 renewal districts completed, thus, took more than 15 years from district designation to project completion. Further, significant portion of more than 200 district that is still intact was designated as renewal district in the 1970s. As such, most of these areas have been under poor management and deterioration until the site clearance begins. It is because that individual building construction is not allowed since they are subject to collective clearance. While minor extension and remodeling are allowed in renewal district, property owners usually leave their buildings unmanaged since they can not anticipate the project schedule. At the same reason, public improvements including gas were not actively implemented in renewal districts.

Thus, downtown renewal appears as freezing downtown change by deterring small-scaled private investments. Building permit record of 1991-1996 shows most of building activities in downtown occurs outside renewal districts (Figure 4). During this period, few new constructions took place in renewal districts, since individual new construction was not allowed. Although allowed, building extension and remodeling were also significantly spared in renewal districts, while they were flourished outside areas.

Thus, interestingly, it was not downtown renewal that supplied the majority of the higher-than-10-story buildings during the past decade. Renewal projects only supplied some 90 buildings (25%), while non-renewal projects produced some 270 buildings (75%) at the same period. This means that downtown renewal attracted \$560 million of private investment, only one third of \$2 billion of non-renewal projects. Clearly, it shows that high-rise modern buildings have not necessarily been supplied in renewal district. It

also demonstrates that downtown renewal discourage active private investment.

Conflict between Quality Development and Project Feasibility

Since the current downtown renewal entirely depends on private financing, the current downtown renewals often confront the conflict between development quality and project feasibility. In order to make redevelopment happen, one must allow development density enough to ensure the economic feasibility of the project. This mechanism has led Seoul to allow high FAR ranging from 8.0 to 10.0 as base development density.

In some years, the City lowered it as low as 6.7 in an effort to alleviate the traffic congestion in downtown area. Yet, as renewal project tended to be stagnant under the shrunken economic return of the project, the City soon restored 10.0 FAR in an effort to facilitate redevelopment projects. Further, in the 1990s, additional FAR was allowed as density bonus in an effort to provide various public benefits such as housing mix, cultural facilities and public open spaces. Most of high-rise buildings recently completed take more than 10.0 FAR. Seoul allows higher downtown FAR than comparable downtown of other cities such as Tokyo, London and Paris, where more street networks and transit lines are provided. Seoul's recent study also suggests that if high-density development continues, downtown will reach its full capacity of transportation and infrastructure.

Not always but usually, high-density developments result in high-rise buildings. Thus, building height has been also under attack of downtown renewal, as Seoul's downtown enjoys the unusual views of surrounding mountains. According to a survey, planning professionals and citizens alike agree that recent high-rise buildings of some 30 stories are too high in downtown. Again, high-density development may be justified in the viewpoint of clearance renewal, but it can be against quality development serving for desirable downtown management.

Conclusion

Aggressive renewal policy has been a prime agent of the downtown change. Conceived as a main instrument to modernize the city center in the poor years of 1960s, it brought forth more than 100 new buildings eradicating tightly-woven old fabrics perceived as unsanitary, dangerous, ill-equipped and ugly. Unable, or unwilling, to provide public resources, Seoul's downtown renewal has evolved towards a privatization. Stepping back from the role of public planner and developer, Seoul depended on market ventures to foster the perception of the modern city.

Some problems arise from the clearance-based, market-driven nature of renewal. It destroys time-honored quality of downtown that is increasingly a source of local identity as well as a top tourist destination. It also fosters deterioration, not renewal, by discouraging individual private building investment over a long period of time. The recent survey shows that professional community views downtown renewal as one that makes downtown losing its historical character, human-scaled coherence, visual attractiveness and diversity, and strong sense of place.

The economic and physical condition of downtown is now considerably different to that of the 1960s when the renewal program was originally initiated. Today's economy and technology make it possible for downtown to renew its conditions not at the utility of clearance redevelopment. Rather, given the historical nature of its attractiveness, desirable downtown change can be taken place in an incremental manner. As discussed, Seoul's downtown has evolved into a modern city center, more through individual improvements than clearance renewal. Thus, the recent poll shows that the places most beloved by people and visitors alike are, without exception, those areas that have changed through individual improvements, maintaining fine-grained urban fabrics.

This changing context of downtown renewal makes Korean planners ponder whether Seoul should continue to solely depend on clearance renewal for downtown management. It is only recent matter that Seoul's first downtown plan calls for an incremental approach preserving time-honored,

attractive downtown qualities while enhancing economic vitality. The plan suggests that the small-scaled gradual change can attract more active private investments that are the vital means of downtown renewal.

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