

# Investigating the Impact of Cultural Regeneration on Social Capital and Residents' Satisfaction of Unused Area\*

: Y-Park Project in Yeongwol-gun, Korea

Lee, Sang-Suk\*\* · Lee, Jae-Su\*\*\*

## Abstract

This study aims to comprehensively analyze the impact of cultural regeneration factors of unused areas in the case of the Y-Park project in Yeongwol-gun on residents' satisfaction and present some policy implications. It is hypothesized that there are direct effects of cultural regeneration factors and indirect effects through social capital factors on residents' satisfaction. The detailed contributing factors of cultural regeneration comprise cultural facility, cultural event, and local community, while detailed factors of social capital comprise trust, participation, and network. A survey was conducted on Yeongwol-gun residents who visited the Yeongwol Y-Park and structural equation modeling was applied to verify the hypotheses. The results and main implications are as follows. First, cultural facility, as a cultural regeneration factor, has a direct and indirect impact on residents' satisfaction. It also directly affects the trust of social capital factors. Second, it was revealed that cultural events have an indirect impact on residents' satisfaction through both trust and participation factors in the local community. Third, it was found that the cultural event factor produces a meaningful impact on trust and network factors of the residents willing to participate in the Y-Park project. Fourth, social capital has a positive impact on residents' satisfaction in the order of participation, network, and trust. It was found that the impact of social capital on residents' satisfaction was bigger than that of cultural regeneration factors in the Y-Park project. The fact that social capital has a great influence on residents' satisfaction indicates that it should be highly prioritized when framing cultural regeneration policies. In addition, comprehensive monitoring and business strategies of the project that ensure the generation of creative cultural spaces and also consider intangible assets such as social capital are required.

**Keywords** Urban Regeneration, Unused Area, Cultural Regeneration, Social Capital, Resident Satisfaction

**주제어** 도시재생, 유휴공간, 문화적 재생, 사회적 자본, 주민만족

## 1. Introduction

### 1. Background and purpose of the study

In 2020, South Korea has hit the "population death cross," when the number of deaths surpasses births, according to

the data published by the Statistics Korea. The natural population decline has begun due to low fertility and aging. Shifts in demographics cause social problems such as an economically active population decline, growing burden of supporting the elderly, regional imbalance, and local dis-tinction. Demographic changes are one of the key drivers of

\* This paper was written by revising and supplementing the master thesis of the lead author.

\*\* Doctorate Candidate, Department of Real Estate, Kangwon National University (First Author: yss2032@korea.kr)

\*\*\* Professor, Department of Real Estate, Kangwon National University (Corresponding Author: jslee25@kangwon.ac.kr)

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urban decline along with the decline of existing industries, changes in the industrial environment and transportation networks. Yeongwol-gun in Korea is also facing a problem of regional existence as was classified as an area of local extinction and risk (Gangwon-do, 2018).

Yeongwol-gun is where the Korea Tungsten Mining Plant, Yeongwol Thermal Power Plant, and Anthracite Coal Mining Plant were used to be located and contributed to the growth of the key national industries in the 1960s and 1970s. Since the population of Yeongwol-gun reached its peak at roughly 125,000 in 1967, it continued to decline as the mining sites were shutdown by the government's rationalization of coal industry in 1987, and has now significantly shrunk to approximately 40,000 (Yeongwol-gun, 1968; 2020). As the population declined, more and more schools, broadcasting stations and movie theaters were closed with the increasing number of empty houses. A school closure, in particular, has become the main cause of "village hollowization" in which communities in rural areas disappear beyond creating unused areas. To address such problems, Yeongwol-gun paid particular attention to culture as a driving factor to propel the revitalization of the region. The Yeongwol museum county project that began in the mid-2000s, is in aligned with the cultural regeneration that has become the core of the current urban regeneration project. Park (2005) argued that, since the 1990s, cultural integration-based urban regeneration has emerged with the perception that the value and potential of culture and arts contribute to regional economic development following competitions in globalization and localization.

The increase in the number of abandoned industrial facilities, closed schools, and unused area can cause problems such as safety issues and undermining the vitality of an urban area. To address the problems of concentrated population and capital in the metropolitan area, the government is implementing new town development, balanced national development policies, and New Deal projects for urban regeneration. As such, the urban regeneration to revitalize the city and restore its functions is emerging as an imperative national agenda. Recently, creative cultural regeneration based on culture and arts is on the rise to avoid monolithic urban regeneration (<http://www.molit.go.kr>).

An artist is the person who inspires creative cultural regeneration in a broad sense, however, space planner can

take the role in a narrow sense. The space planner determines the theme of the overall space and gives meaning to each and every spaces. The unused area can also be transformed into a completely different look when artistic inspiration and unique ideas are incorporated. Furthermore, when the local residents actively take part in cultural regeneration projects, the sense of pride and satisfaction of the residents can be enhanced in addition to revitalization of the region.

This study aims to investigate the cultural regeneration elements of unused areas and its relation with social capital in an effort to further analyze its impact on residents' satisfaction, focusing on Y-Park Project in Yeongwol-gun, Gangwon-do. For empirical analysis, cultural facilities, cultural events, and local communities were examined as cultural regeneration elements. Trust, participation, and network were set as the sub elements of social capital, one of the parameters. A questionnaire survey was conducted on the residents of Yeongwol-gun who had visited the Y Park, and the structural equation model was estimated and its implications were interpreted. This study investigated if the cultural regeneration elements of unused area directly affect the resident satisfaction or indirectly has a significant impact on the resident satisfaction through the social capital formation, and presented the study implications.

## 2. Research scope and structure

The spatial range of this study is Yeongwol Y-Park in Yeongwol-gun, Gangwon-do, which is garnering a lot of attention as of late since it reopened as a multi-purpose museum transformed from an unused area under the theme of cultural regeneration. Yeongwol Soolsaem (alcohol fountain) Museum and Jumak (tavern) street, a former Yeongwol Y Park, were built in Yeongwol-gun from 2010 to 2016 at a cost of 14 billion won. However, it was not officially opened due to poor quality of exhibition and became a white elephant. To revitalize the Soolsaem Museum and Jumak street that had become unused area, Yeongwol-gun selected a private trustee with an extensive experience in operating art galleries as the managing entity.

As for the research method, the concepts and components of urban regeneration, cultural regeneration, and social capital were examined first through literature review,

and theories and previous studies on resident satisfaction were reviewed. To investigate the effect of cultural regeneration elements on the social capital formation and satisfaction of residents, this study derived variables, and constructed and analyzed hypotheses. The questionnaire survey was carried out on 400 visitors to Yeongwol Y Park among the residents of Yeongwol-gun for 3 weeks from August 5 to August 25, 2020 through the self-report technique. Using SPSS 25.0, a basic statistical analysis of the survey items was performed, and confirmatory factor analysis and path analysis for the Structural Equation Modeling (SEM) were conducted with AMOS 24.

Chapter 2 looked at the characteristics of cultural regeneration and social capital in terms of urban regeneration and illustrated the concepts and components of urban regeneration, cultural regeneration, social capital, and resident satisfaction based on the current status of Yeongwol Y Park project and literature review. In Chapter 3, the research models and hypotheses were constructed to analyze the impact of cultural regeneration on social capital formation and resident satisfaction based on the components and sub elements derived by reviewing related theories and previous studies.

Chapter 4 formulated a survey plan based on the final variables and items to measure and performed basic statistical analysis. The interrelations among the components were analyzed using the structural equation model. Chapter 5 summarized the study results and presented the significance and policy implications of cultural regeneration.

## II . Current Status and Previous Studies

### 1. Status of Yeongwol Y Park project

The Soolsaem Museum located in Jucheon-myeon, Yeongwol-gun, Gangwon-do, was established under the motif of the regional origin, Jucheon (酒泉) described in Shinjung Tongguk Yoji Sungnam, a Korean geography published in mid-Joseon Dynasty. Based on the narrative of the name of the region where alcohol (Sool) flows from the fountain (Saem), the construction of the museum began in 2010 and completed in 2013 with subsidies of 7 billion won for the public museum support project by the Ministry of Culture, Sports and Tourism. The exhibition hall was built on a floor area of 1,324 m<sup>2</sup>, with contents such as the folk tale of the



Figure 1. Main works of Yeongwol Y Park

Source: <https://ypark.kr>

Soolsaem, the traditional liquor manufacturing process, and traditional liquor products. It was temporarily opened to the public in 2014 with free admission (Yeongwol-gun, 2019).

Soolsaem Village Jumak Street with a floor area of 3,022 m<sup>2</sup> is comprised of one experience hall and four Jumak halls of the same structure. The experience hall was designed as a space in which tourists can participate in various experiential programs and workshops, and the Jumak halls were arranged with a Sarangbang, dining hall, and kitchen equipped with cooking facilities. The project period spanned from 2013 to 2016, with the budget of 7 billion won (Yeongwol-gun, 2019).

At that time, leasing the experience hall and Jumak halls to the private sector was not an easy option since there was no clause of reduction or exemption for local residents in the Public Property and Commodity Management Act, making it difficult to find a person willing to pay expensive rents and run the restaurants. As a result, the Soolsaem village and Jumak street building became an unused space right after its construction was completed since it was not easy to run restaurants through rentals to local residents. In 2017, Yeongwol-gun opened a public invitation of private trustees to revitalize the Soolsaem Museum and Jumak Street. Based on the proposals of private trustees selected through the public invitation, a mixed-use art museum incorporating the natural environment of Gangwon-do was established under the theme of cultural regeneration from the end of 2017 to June 2019 (Yeongwol-gun, 2019).

The land artist Choi Ok Yeong<sup>1)</sup> was in charge of managing and overseeing the Y-park project and other artists including Park Shin-jung, Choi Jeong-yun, Lee Seon-ju, and Lee Jae-sam also took part in the project. To transform the restaurants, a neighborhood facility, into a museum, the ceilings were removed and the windows were blocked. The location and structure of the existing entrance doors were changed, and the ondol-type structures and kitchen facilities and appliances were also removed. Building materials generated from the demolition process were re-created as installation art under the theme of regeneration. As the movement paths around the museum were newly placed, the sidewalk pavers were removed and reused as a wall and artwork at the entrance of the museum (Figure 1).

In roughly six months after its opening, Yeongwol Y Park was designated as a hidden winter tourist attraction in 2019

by the Korea Tourism Organization. It has become a famous tourist attraction in no time as the visitors spread the word via social media. As it is widely known as a popular spot, it is becoming a shooting location for fashion magazines, clothing companies, electronics companies, and model walking. In December 2020, Yeongwol Y Park became the winner of "Star of Korean tourism" awarded by the Korea Tourism Organization for its contribution to the tourism development and promotion of excellent tourism resources (Lee, 2020).

## 2. Previous studies

### 1) Research in urban regeneration and cultural regeneration

The terms such as city extinction, shrinking cities, or compact cities are appearing more often as of late due to the rapidly declining birth rate and aging population aging. While the population was on the continuous rise in the past, today we are facing an era of population decline. Population decline is an unprecedented situation that has never been experienced before, which requires urban regeneration policies that can minimize urban hollowization and slumism following population decrease. In 2013, Special Act on Promotion of and Support of Urban Regeneration was enacted to allow systematic and comprehensive support for urban regeneration. Article 2 of the Special Act on Promotion of and Support of Urban Regeneration defines urban regeneration as "economic, social, physical, and environmental revitalization of a city which is declining due to depopulation, change of industrial structure, urban sprawl, deterioration of the dwelling condition, etc. by strengthening local capacity, introducing and creating new functions, and utilizing local resources".

Urban regeneration prior to the enactment of the Special Act was more focused on the physical renewal of cities, making it difficult to fully reflect the unique history and culture of the city, the identity and characteristics of local communities. Since the Special Act came into operation, urban regeneration projects started to focus more on improving and revitalizing social, economic, and cultural functions as well as physical environment by incorporating the opinions of local residents. As in the case of Japan, sustainable regional operation and management systems that are in line with the future plans together with a long-term

vision and goals must be considered through area management even after an urban regeneration project is executed (Lee and Lee, 2017).

Lee (2010) regarded urban redevelopment as a physical renewal to address urban problems such as poor residential environment, housing supply, and rapid urbanization. However, the study viewed urban regeneration in a more fundamental and broad sense which helps improve the quality of life, meet the cultural needs, achieve differentiated urban competitiveness, and cope with the changes in the environment and demographics. The method of regenerating a city based on cultural contents is dubbed as cultural urban regeneration (Cho, 2011). Cultural urban regeneration revitalizes underdeveloped areas and continually regenerates and increase new cultural content driven by resident participation by creating a unique regional culture differentiated from other areas with culture at the center of the urban regeneration project.

It is a relatively recent that culture has been perceived as an important element in urban regeneration. The purpose of urban regeneration is to revitalize and restore the functions of cities that are aged by the downturn of key industries, changes in the industrial structure, and the decline of major industries. Physical improvement focusing on development which was seen in the past did not achieve its intended purpose of restoring the function of cities due to the lack of awareness of intangible assets, monolithic design and construction, and overlooked resident participation process. To overcome such limitations of urban renewals, a policy that combines urban regeneration with culture was proposed.

Lee (2014) argued that culture is a key element in determining the quality of life, cultural urban regeneration that utilizes cultural value of cities can revitalize the local areas and strengthen local competitiveness. Seong and Lee (2014) reported that realization of historical and cultural regeneration based on the regional assets can help improve the regional image by developing tourism routes and hosting local festivals and sense of unity and sense of pride can be promoted through hosting a local festival where the local residents take the lead. They also stressed the importance of content development such as festivals and tourist products as well as culture based facilities, and its following regional image and emotional sense of satisfaction of local residents.

Ahn (2014) performed an empirical study to show the resident satisfaction towards cultural urban regeneration such as utilization of historical and cultural resources and establishment of cultural facilities was positive for residents in metropolitan area. Gye (2010) defined culture-led urban regeneration as a strategy that enables sustainable development of an entire city in addition to regenerating a declined area by proactively adopting and implementing various types of urban cultural strategies that are aligned with individual characteristics of a city.

Baek (2013) argued that leisure activities of cities such as culture and design should be focused more than functional perspective to enhance urban productivity, and cultural urban regeneration should be carried out based on a balanced public-private cooperation excluding excessive speculation to obtain a desirable outcome. Although it is desirable for culture to play a pivotal role in urban regeneration to remarkable contents, cultural regeneration that only focuses on commerciality or lacks artistic inspiration could backfire.

The dictionary meaning of “unused” is defined as “not used and left unattended” (<https://terms.naver.com>). Unused area can be defined as “empty space that is not used”, regarding space as an empty place with nothing. From a broader perspective, space that is under-used or inefficiently used can also be included. In the study of cultural regeneration of industrial unused area, Han (2019) argued that cultural regeneration and building creative space can bring about changes in sense of place in the area.

Kim (2015) categorized the urban regeneration strategies using culture and arts into four types: cultural facilities, use of local cultural events, revitalization of cultural industry and economy, and local community revitalization. First, cultural facility is to discover and utilize the value of the cultural, industrial, and architectural heritage in modern age and unused area that can be used as a landmark architecture that resolves urban hollowization. Second, use of local cultural events is to plan cultural events with strong urban symbolism to transform a local area into a venue for festivals. Third, revitalization of cultural industry and economy is a strategy to increase the ratio of cultural industry policies in technological development, human resource development in the market, policy assessment system, domestic market revitalization, establishment of a virtuous cycle

structure, and cooperation within ministries. Fourth, it was argued that local community revitalization was to provide indirect support in promoting active participation of cultural planners, establishing a community between artists and the local community, diversifying programs linked to the local community, and natural formation of an ecosystem.

The cultural and artistic elements presented in previous studies related to cultural regeneration are shown in Table 1. This study selected cultural facilities, cultural events, and local communities, the most widely used among the six cultural and artistic elements reported in the previous studies, which are in line with the characteristics of the area of the case study, and developed a questionnaire survey.

## 2) Research in urban regeneration and social capital

Urban regeneration is a joint project executed by the central government, local governments, residents and the private sector as they cooperate to address the urban decline. The public sector's support is essential to ensure a successful project. The three elements of policy are law and institutions, budget, and implementation. As the institutional framework is already in place, the selection of an urban regeneration project means that the required budget is secured. Ultimately, the success or failure of the project is determined by the implementation. It is desirable for local residents to voluntarily take part in the project and find problems and propose solutions in the project implementation process.

Park et al. (2020) reported that the key to sustainable regeneration is the establishment of a diversified deci-

sion-making system that will naturally arouse the interest and participation of community members in the process of urban regeneration and following changes in community. Early participation of local residents from an initial stage can help rational decision-making and understand the project well since it is difficult to reach consensus when the interests of members are divided.

Putnam (1993) defined social capital as a value that facilitates coordination and cooperation for the mutual benefit of members, such as trust, norms, and networks. Nahapiet and Ghoshal (1998) regarded social capital as the sum of available tangible and potential resources derived from networks owned by individuals or societies. Lee et al. (2009) defined social capital as all intangible assets created in social relations such as trust, norms, and networks which increase social productivity by promoting cooperation between individuals. Hibbitt et al. (2001) argued that the social relations of trust building and the local area development and local social relations, known as social capital, should be at the center of urban regeneration process.

Lee and Nam (2015) emphasized that support for the main agents of cultural and industrial development in the local area, such as residents, communities, and artists, is important as a means of sustainable urban regeneration. Lee (2020) stressed that social capital and social value should play a pivotal role in urban regeneration that uses culture to recreates abandoned objects or spaces. Roh (2013) demonstrated that residents' activities rather than official project activities, such as exchanges or socializing between neighbors, have a greater impact on social capital in the residential

**Table 1.** Elements of culture and arts in urban regeneration projects

| Author (Year)    | Cultural facility | Cultural event | Cultural industry | Local community | Training program | Cultural creative space |
|------------------|-------------------|----------------|-------------------|-----------------|------------------|-------------------------|
| Kim (2015)       | ●                 | ●              | ●                 | ●               |                  |                         |
| Yu (2014)        |                   | ●              |                   | ●               | ●                |                         |
| Ahn (2014)       | ●                 | ●              |                   | ●               |                  |                         |
| Yin (2016)       | ●                 | ●              | ●                 | ●               |                  |                         |
| Choi (2010)      | ●                 | ●              | ●                 |                 |                  | ●                       |
| Oh et al. (2007) | ●                 |                |                   |                 |                  | ●                       |
| Lee (2013)       | ●                 |                |                   |                 |                  | ●                       |
| Jang (2015)      |                   |                |                   | ●               |                  |                         |
| Lee (2014)       |                   |                | ●                 | ●               |                  |                         |
| Choi (2017)      | ●                 | ●              |                   | ●               |                  |                         |

regeneration project. Urban regeneration is not only about physical regeneration led by the government, but also having a faith in the administration in the regeneration process, as well as building trust among local residents to become an ideal community where networks are established with active participation. Kwon (2018) stated that it is necessary to develop a barometer to measure the social capital of each region due to a variety of variables at play in each region.

The components of social capital presented in previous studies are listed in Table 2. In this study, trust, participation, and network were adopted as the elements that are most widely used among the seven components presented in previous studies, which are in line with the characteristics of the area of the case study.

### 3) Study on elements affecting resident satisfaction

Resident satisfaction is a concept that expresses emotional satisfaction with situations or results surrounding an individual's life, which is highly related to both private domain such as health conditions, economic situations, and family relations, and social domain which includes reaction to the benefits of public services such as housing, welfare, medical service, education, and culture. The resident satisfaction surveys can either be limited to a specific area or the overall quality of life can be measured depending on the researcher. Satisfaction can be referred to realization of subjective emotions experienced by individuals as they go about their lives, a similar concept as the happiness index (Shin, 2009).

Neugarten et al. (1961) defined satisfaction as maintaining an optimistic attitude or emotional state while feeling a sense of contentment with daily life, sense of achievement,

and self-worth. Satisfaction can also be divided into housing satisfaction, satisfaction with environmental quality, and customer satisfaction.

Shin (2020) found that housing satisfaction can be seen as a relative evaluation of housing facilities and living environment, and that the type of housing and tenure type, residential environment, and local community affect housing satisfaction. Cho (2017) reported that a significant part of the resident satisfaction with the urban regeneration project was in fact the satisfaction with the housing, subjectively evaluating the level of satisfaction and dissatisfaction with the residential environment. Kim and Kim (2011) argued that the satisfaction with environmental quality can be regarded as a comprehensive satisfaction with well-being, health, and stability including natural elements and landscapes, which are affected by natural factors including natural resources and open space, in addition to other elements such as infrastructure, artificial environment, and physical comfort.

The study is different from other studies due to following reasons. First, this study was conducted focusing on the case of Yeongwol Y Park, a successful cultural urban regeneration project from a small and medium-sized city using unused area. This case study can be assessed as a representative cultural regeneration bringing out the strengths of the area, sense of place and locality. Second, the ultimate goal of the urban regeneration project is to enhance the quality of life and improve resident satisfaction through the project. Specific elements constituting cultural regeneration were measured through a questionnaire survey, and their impact on the resident satisfaction was analyzed. Third, this study

**Table 2.** Elements of social capital in urban regeneration projects

| Author (Year)           | Trust | Participation | Network | Community spirit | Intimacy/bond | Norm | Delegation of authority/safety |
|-------------------------|-------|---------------|---------|------------------|---------------|------|--------------------------------|
| Forrest & Kearns (2001) | ●     | ●             | ●       |                  |               | ●    | ●                              |
| Chun (2004)             | ●     | ●             |         | ●                | ●             |      |                                |
| Chun & Kim (2009)       | ●     | ●             | ●       | ●                |               |      |                                |
| Seo & Ha (2009)         | ●     |               | ●       |                  |               | ●    |                                |
| Chun (2010)             | ●     | ●             |         |                  |               | ●    |                                |
| Lee (2010)              | ●     | ●             |         | ●                | ●             |      |                                |
| Kim & Koo (2011)        | ●     | ●             | ●       |                  |               |      |                                |
| Park (2012)             | ●     |               | ●       |                  |               | ●    |                                |
| Ro (2013)               | ●     | ●             |         | ●                | ●             |      |                                |

verified whether the cultural regeneration elements using unused area had a significant effect on the formation of social capital in the local community, and its indirect impact on resident satisfaction was investigated.

### III. Research and Survey Methods

#### 1. Analysis model settings

This study adopted a research model that used cultural regeneration as the exogenous variable, resident satisfaction as the dependent variable, and social capital as the parameter, as shown in Figure 2. The direct effect of the cultural regeneration of unused area on the formation of social capital and resident satisfaction and its indirect effect through the social capital, the parameter, were analyzed based on the research model. As for the sub elements of the cultural regeneration, cultural facilities, cultural events, and local community were selected. Trust, participation, and network were set as the sub elements of the social capital.

Cultural facilities refers to cultural infrastructure such as performing arts facilities, literary art centers, museums, art galleries, and exhibition halls. Cultural events are events with software like characteristics such as festivals, performances, and other events. Local community means activities of communities related to art and culture such as cultural and artistic groups and clubs. In this study, the most used cultural regeneration elements from the previous studies - cultural facilities, cultural events, and local community - were selected as the elements of cultural regeneration.

Social capital, also known as the invisible third capital, serve as the foundation for local community development. Since social capital is a concept that is difficult to measure, trust, participation, and networks, the widely used elements in previous studies, were selected, which are appropriate for

the characteristics of the area of the study case. Here, trust is comprised of trust in public officials such as the central and local governments, trust in local civic groups, and trust in elected local representatives including members of the National Assembly and governors of a county. Participation indicates a willingness to take part in activities and events involving Yeongwol-gun. These include a sense of ownership for Yeongwol-gun's decline and regeneration, enthusiasm in solving problems in the area, and a willingness to participate in cultural regeneration projects. Network refers to exchanges or relations between community members, which is consisted of the number of regular meetings by community groups, religious groups, and clubs, along with the number of sponsoring organizations or social welfare institutions.

Resident satisfaction means the perception of a local community and one's own life as a citizen of Yeongwol-gun. The questions of the survey include the intention to continue living in the area, quality level of living environment, whether the life in Yeongwol-gun is what the participant desired, overall satisfaction with life, and overall satisfaction with the local community. The elements of cultural regeneration, social capital, and resident satisfaction were measured on a 5-point Likert scale.

#### 2. Hypotheses settings

There are multiple studies on the role of social capital in Korea's urban regeneration projects or the effects of urban regeneration projects on resident satisfaction. Most of the studies highlighted the importance of social capital with regard to managing conflicts among residents that occur in the process of project execution. Resident satisfaction in these studies was examined mostly in terms of the project implications such as improvement of settlement conditions and creation of new growth businesses, and the negative aspects such as gentrification and invasion of the privacy of indigenous peoples following the influx of tourists.

Choi and Lee (2016) argued that as housing development or physical improvement cannot guarantee sustainability in the regeneration of unused area, a comprehensive approach should be taken to improve the quality of life, such as forming a resident community and rising income, resulting in revitalization of local economy. This study aims to analyze

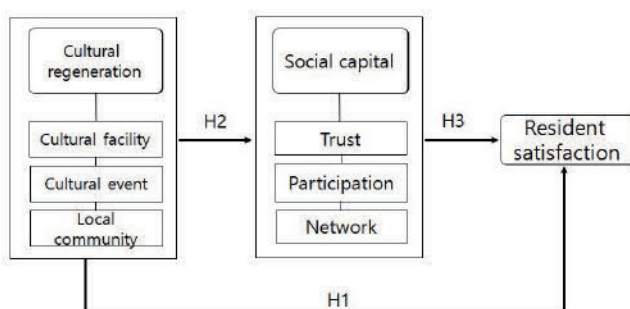


Figure 2. Research model

the effect of cultural regeneration through a case study in an attempt to further investigate how cultural regeneration as well as physical improvement of unused area affect social capital and resident satisfaction.

To verify the direct and indirect effects of exogenous variables, cultural regeneration elements, and parameters, social capital, on the dependent variable, resident satisfaction, research hypotheses were established as shown in Table 3. Hypotheses H1 to H3 are developed to verify the direct effects between exogenous variables and parameters, parameters and dependent variables, and exogenous variables and dependent variables. Hypothesis H4 is presented to verify the indirect effect of exogenous variables on dependent variables through parameters.

Research hypothesis H1: Cultural regeneration elements have a positive (+) effect on resident satisfaction. Cultural facilities using cultural and artistic contents have a positive effect on resident satisfaction by meeting the cultural needs of local residents. Cultural events such as a variety of cultural and artistic events using local resources, also have a positive effect on resident satisfaction. Local community, an exchange activity between artists and local residents, also has a positive effect on resident satisfaction. Choi (2017) stated that in urban regeneration projects, cultural and artistic elements had a significant positive effect on resident satisfaction.

**Table 3.** Research hypotheses

|    | Research hypothesis                                | Relevant studies        |
|----|--|-------------------------|
| H1 | H1-1 Cultural facility → Resident satisfaction (+) | Kim (2015), Choi (2017) |
|    | H1-2 Cultural event → Resident satisfaction (+)    |                         |
|    | H1-3 Local community → Resident satisfaction (+)   |                         |
| H2 | H2-1 Cultural facility → Trust (+)                 | Ro (2013)               |
|    | H2-2 Cultural facility → Participation (+)         |                         |
|    | H2-3 Cultural facility → Network (+)               |                         |
|    | H2-4 Cultural event → Trust (+)                    |                         |
|    | H2-5 Cultural event → Participation (+)            |                         |
|    | H2-6 Cultural event → Network (+)                  |                         |
|    | H2-7 Local community → Trust (+)                   |                         |
|    | H2-8 Local community → Participation (+)           |                         |
|    | H2-9 Local community → Network (+)                 |                         |
| H3 | H3-1 Trust → Resident satisfaction(+)              | Kim (2017)              |
|    | H3-2 Participation → Resident satisfaction(+)      |                         |
|    | H3-3 Network → Resident satisfaction(+)            |                         |

Research hypothesis H2: Cultural regeneration elements have a positive (+) effect on social capital. Cultural facilities that are in good harmony with the history, culture, and natural environment of the local area, have a positive impact on trust, participation, and network building among community members. Furthermore, various local residents-led cultural events have a positive effect on trust, participation, and networks. Local community - an exchange activity among artists, clubs, and local residents - has a positive effect on trust, participation, and networks. Roh (2013) argued that cultural regeneration elements have a positive effect on the formation of social capital in residential regeneration projects.

Research hypothesis H3: Social capital has a positive (+) effect on resident satisfaction. Trust in members of community has a positive effect on resident satisfaction, and horizontal, open and voluntary social participation has a positive effect on resident satisfaction. Public and private networks also have a positive effect on resident satisfaction. Kim (2017) argued that the network range for local group participation, the sense of belonging and trust have a positive effect on the resident satisfaction with life.

Research hypothesis H4: Cultural regeneration elements have a positive (+) effect on resident satisfaction through social capital. Decent cultural facilities, cultural events, and local community activities in the local area have a positive effect on resident satisfaction through social capital, which are trust, participation, and networks.

### 3. Survey and analysis method

#### 1) Questionnaire survey

The survey aimed to examine the effect of cultural regeneration of Yeongwol Y Park in Jucheon-myeon, Yeongwol-gun, Gangwon-do on the resident satisfaction and formation of social capital. This survey was conducted to present the implications of urban regeneration policy by analyzing the effect of cultural regeneration in urban regeneration projects using unused area.

34,112 residents in their 20s and older in Yeongwol-gun as of July 2020, were selected as the target population. 400 people from two areas: Yeongwol-eup and Seosam-myeon in Yeongwol-gun were selected as the survey sample based on the population ratio. The residents who had visited Yeong-

wol Y Park at least once were only chosen for the analysis. Since it was difficult to obtain personal data due to the issue of privacy protection for individual visitors, the survey was conducted with the support from the local community groups, clubs, local university students, sports clubs, businesses, and related organizations with experience of group visits to the Yeongwol Y park.

The survey was carried out for approximately three weeks from August 5 to August 25, 2020 by conducting an individual interview using a questionnaire. Table 4 shows the composition of the questionnaire. The survey items include general information about the survey target, a level of awareness of cultural regeneration, perception of local cultural regeneration elements, a level of perception of social capital, and items related to resident satisfaction with life.

As for the cultural regeneration elements, a total of 13 questions from Kim (2015) was considered including four questions on cultural facilities, five questions on cultural events, and four questions on local community. However, it was revised to be a total of 12 questions including three questions on cultural facilities, five questions on cultural events, and four questions on local community through the confirmatory factor analysis. As for the social capital components, 16 questions, including four questions on trust, four questions on participation, four questions on network and four questions on social inclusiveness from Jeong (2012) were initially considered. However, it was trimmed down to a total of eight questions including three on trust, three on partici-

pation, and two on network. The questions for the resident satisfaction were composed of whether to continue living in the area, the level of quality of residential environment, whether the life in Yeongwol-gun is what the participant desired, overall satisfaction with life, and overall satisfaction with the local community.

## 2) Analysis methods

In this study, statistical analysis programs SPSS 25.0 and AMOS 24 were used to analyze the collected data. Frequency analysis, descriptive statistical analysis, t-test, and structural equation analysis were performed using the analysis programs. The confirmatory factor analysis, path analysis, and model fit analysis among the elements were conducted using AMOS 24.

The structural equation model is a technique to analyze the relations between variables in order to verify the causality and correlation between them in the field of social science. A latent variable is a variable that cannot be observed or measured directly, but measured indirectly by an observed variable, which is used only in structural equation models. The structural equation model is structured into a measurement model representing the correlation between latent variables and observed variables and a structural model representing the relations between latent variables. With the structural equation model, the significance of unclear correlations between variables can be identified (Woo, 2012).

**Table 4.** Composition of questionnaires

| Category                               | Details   |
|--|---|
| Basic item                             | Age, area of residence, experience of visiting Yeongwol Y Park  |
| Cultural regeneration awareness index  | Meaning of urban regeneration, contents of cultural regeneration, Yeongwol Y Park awareness index on the construction project   |
| Cultural regeneration factor awareness | Cultural facility (construction status, availability of unused area, whether satisfying cultural needs or not, image improvement), cultural event (possibility of resident participation, event holding, ease of participation, availability of local resources, contribution to resident empathy), local community (exchange with residents and artists, questions on the existence of programs linked with artists, provision of a creative space, activation of club operation)  |
| Social capital awareness               | Trust in the community (neighbors, civil servants, civic groups, leaders), participation (regeneration) attitude to problems, aggressiveness in village issues, willingness to participate in cultural regeneration projects, election participation, degree of network awareness (whether it is possible to receive money for urgent use other than immediate family members, regular meetings, number of sponsoring organizations, frequency of access to public institution's websites), social tolerance (recommending help to neighbors in need, permitting installation of non-preferred facilities, contributing to social development of multicultural families, relationship with disabled people) |
| Resident satisfaction index            | Satisfaction with living in present area (whether to continue living, whether to live in a good residential environment, whether it is close to the desired life, satisfaction with life, satisfaction with region)   |
| General items                          | Marital status, number of household members, occupation, period of residence in Yeongwol-gun  |

## IV. Analysis Results

### 1. Basic statistics and confirmatory factor analysis

Table 5 shows the results of basic statistics analysis for each element of cultural regeneration: cultural facilities, cultural events, local communities, and elements of social capital: trust, participation, and elements of resident satisfaction. The basic statistics of cultural facility, an element of cultural regeneration, indicates that the highest mean value for the unused area utilization is 3.35, 3.55 for whether cultural and artistic events are held among the cultural event elements, and 3.09 for revitalizing the cultural and art club among the elements of local community.

The average mean value for the trust, an element of social capital, is 3.21 with the highest of 3.36 for the trust with public officials. The average mean for the participation is 3.46

with the highest of 3.57 for the intention to participate in cultural regeneration, showing strong interest in the cultural regeneration project of the region. The overall average mean for the network is 2.05, in which the mean value of the number of regular meetings is 2.27 while the number of sponsoring organizations is low at 1.82.

The overall average mean for the resident satisfaction is 3.56 with the highest of 3.66 for the overall satisfaction with life, followed by 3.63 for the intention to continue living in the current area, 3.59 for the level of quality of current residential environment, and 3.55 for the overall satisfaction with the local community. Whether the life in Yeongwol-gun is close to the life desired showed the lowest mean value of 3.38. Construct validity and discriminant validity were verified through the average variance extracted (AVE), and construct reliability was analyzed through confirmatory factor analysis. As shown in Table 5, the standardized factor loading value ( $\lambda$ ) of all elements of the variables was

**Table 5.** Result of confirmatory factor analysis

| Factor                | Indicator         | Mean   | Std. Dev. | Factor loading ( $\lambda$ ) | Standardized coefficient | S.E.  | C.R.  | Construct reliability | AVE   |       |
|-----------------------|-------------------|--|-----------|------------------------------|--------------------------|-------|-------|-----------------------|-------|-------|
| Cultural regeneration | Cultural facility | Good quality of cultural facilities  | 3.29      | 0.813                        | 0.781                    | 0.972 | 0.068 | 14.273                | 0.792 | 0.641 |
|                       |                   | Unused facility utilization  | 3.35      | 0.863                        | 0.700                    | 0.923 | 0.071 | 12.974                |       |       |
|                       |                   | Whether to meet cultural needs   | 3.14      | 0.857                        | 0.764                    | 1     |       |                       |       |       |
|                       | Cultural event    | Participation in various cultural and artistic events is possible                      | 3.53      | 0.834                        | 0.792                    | 1.129 | 0.077 | 14.613                | 0.862 | 0.647 |
|                       |                   | Whether to hold cultural and artistic events   | 3.55      | 0.809                        | 0.749                    | 1.035 | 0.075 | 13.874                |       |       |
|                       |                   | Ease of participation in cultural and artistic events                                  | 3.42      | 0.834                        | 0.732                    | 1.044 | 0.077 | 13.577                |       |       |
|                       |                   | Utilization of local resources for cultural and artistic events                        | 3.28      | 0.856                        | 0.751                    | 1.098 | 0.079 | 13.907                |       |       |
|                       |                   | Achievement of a general consensus among the residents of cultural and artistic events | 3.43      | 0.825                        | 0.709                    | 1     |       |                       |       |       |
|                       | Local community   | Possibility to interact with artists   | 2.99      | 0.901                        | 0.81                     | 0.947 | 0.051 | 18.479                | 0.900 | 0.732 |
|                       |                   | Operate art-linked programs  | 2.97      | 0.927                        | 0.888                    | 1.068 | 0.051 | 20.964                |       |       |
|                       |                   | Whether to provide a creative space  | 2.95      | 0.893                        | 0.820                    | 0.949 | 0.051 | 18.778                |       |       |
|                       |                   | Revitalizing the culture and arts club   | 3.09      | 0.946                        | 0.815                    | 1     |       |                       |       |       |

(Continue on next page)

| Factor         | Indicator             | Mean   | Std. Dev. | Factor loading ( $\lambda$ ) | Standardized coefficient | S.E.  | C.R.  | Construct reliability | AVE   |
|----------------|-----------------------|--|-----------|------------------------------|--------------------------|-------|-------|-----------------------|-------|
| Social capital | Trust                 | Public officials' credibility                      | 3.36      | 0.882                        | 0.744                    | 1     |       | 0.829                 | 0.843 |
|                |                       | NGO credibility                                    | 3.19      | 0.811                        | 0.810                    | 1.001 | 0.067 | 14.839                |       |
|                |                       | Community leaders' reliability                     | 3.09      | 0.955                        | 0.811                    | 1.181 | 0.079 | 14.850                |       |
|                | Participation         | Attitudes towards regeneration issues              | 3.33      | 0.833                        | 0.750                    | 0.965 | 0.063 | 15.227                | 0.841 |
|                |                       | Proactively solving problems when they occur       | 3.49      | 0.807                        | 0.839                    | 1.047 | 0.063 | 16.696                | 0.864 |
|                |                       | Whether Yeongwol-gun join in cultural regeneration | 3.57      | 0.795                        | 0.814                    | 1     |       |                       |       |
|                | Network               | Number of regular meetings                         | 2.27      | 0.935                        | 0.780                    | 1     |       | 0.806                 | 0.803 |
|                |                       | Number of sponsored organizations and institutions | 1.82      | 0.885                        | 0.867                    | 1.052 | 0.143 | 7.361                 |       |
|                | Resident satisfaction | Whether to live in the current area                | 3.63      | 0.897                        | 0.717                    | 1     |       | 0.896                 | 3.505 |
|                |                       | The goodness of current residential environment    | 3.59      | 0.877                        | 0.767                    | 1.045 | 0.072 | 14.613                |       |
|                |                       | Is it close to the life you wanted?                | 3.38      | 0.893                        | 0.871                    | 1.209 | 0.073 | 16.497                |       |
|                |                       | Overall satisfaction with life                     | 3.66      | 0.766                        | 0.817                    | 0.974 | 0.063 | 15.552                |       |
|                |                       | Overall satisfaction with the region               | 3.55      | 0.812                        | 0.807                    | 1.018 | 0.066 | 15.364                |       |

high with minimum 0.70 or higher as a result of the elements analysis for cultural regeneration, social capital, and resident satisfaction. The construct reliability of all elements higher than the reference of 0.7, indicated that the reliability of the construct was achieved. The AVE of 0.5 and higher also indicated that the construct validity of the constituent factors was also secured.

## 2. Structural models and hypothesis verification

To verify the [hypotheses H1 to H4] on the relations of cultural regeneration with social capital and resident satisfaction, structural equation models were analyzed. To improve the model fit, the paths corresponding to cultural

facilities→parameters (participation, network), cultural events→parameters (network), cultural events→dependent variables (resident satisfaction), local community→parameters (participation), local community→dependent variable (resident satisfaction) were removed. The model fit indices are shown in Table 6. The fit index of the final structural equation model,  $\chi^2 = 529.080$ , suggests that it is significant. Further, all fit indices exceeded the reference value, showing that the final structural model was valid. The results of structural equation modeling is shown in Figure 3.

Table 7 shows the results of verification of estimated value and hypotheses of the final structural model. The hypothesis [H1-1] was adopted as the cultural facilities were found to have a significant positive effect on resident satisfaction con-

**Table 6.** Model fit index

| Parameter | $\chi^2$ (p)   | df  | RMSEA         | RMR           | GFI           | AGFI          | CFI           | NFI           | TLI           |
|-----------|----------------|-----|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Value     | 529.080 (.000) | 262 | 0.065         | 0.030         | 0.906         | 0.883         | 0.952         | 0.910         | 0.945         |
| Criteria  | Critical value |     | 0.08 or below | 0.05 or below | 0.9 or higher | 0.8 or higher | 0.9 or higher | 0.9 or higher | 0.9 or higher |

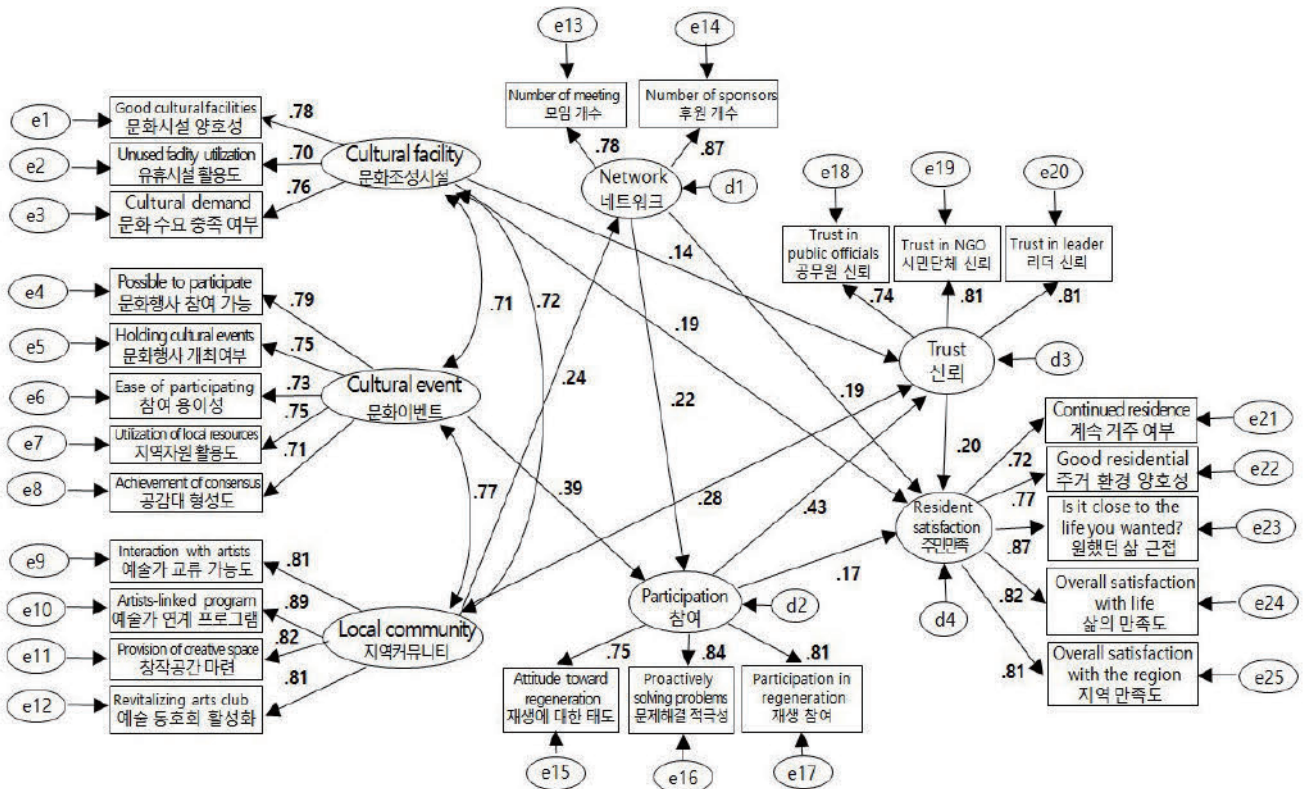


Figure 3. Result of structural equation modeling

Table 7. Results of structural equation modeling

| Path  | Estimated value | Standard error | t-value (C.R.) | Result |
|---|-----------------|----------------|----------------|--------|
| Cultural facility → Resident satisfaction 1-1 | 0.187           | 0.061          | 3.051***       | Adopt  |
| Cultural event → Resident satisfaction 1-2    |                 |                |                | Reject |
| Local community → Resident satisfaction 1-3   |                 |                |                | Reject |
| Cultural facility → Trust 2-1                 | 0.142           | 0.082          | 1.718*         | Adopt  |
| Cultural facility → Participation 2-2         |                 |                |                | Reject |
| Cultural facility → Network 2-3               |                 |                |                | Reject |
| Cultural event → Trust 2-4                    |                 |                |                | Reject |
| Cultural event → Participation 2-5            | 0.433           | 0.065          | 6.673***       | Adopt  |
| Cultural event → Network 2-6                  |                 |                |                | Reject |
| Local community → Trust 2-7                   | 0.236           | 0.068          | 3.447***       | Adopt  |
| Local community → Participation 2-8           |                 |                |                | Reject |
| Local community → Network 2-9                 | 0.224           | 0.058          | 3.885***       | Adopt  |
| Trust → Resident satisfaction 3-1             | 0.195           | 0.073          | 2.665***       | Adopt  |
| Participation → Resident satisfaction 3-2     | 0.170           | 0.068          | 2.501**        | Adopt  |
| Network → Resident satisfaction 3-3           | 0.165           | 0.049          | 3.330***       | Adopt  |
| Participation → Trust                         | 0.435           | 0.059          | 7.375***       |        |
| Network → Participation                       | 0.198           | 0.051          | 3.892***       |        |

\*p<0.10, \*\*p<0.05, \*\*\*p<0.01

sidering the effects of cultural regeneration elements on resident satisfaction. Various cultural facilities such as museums, art galleries, and literary arts centers are well estab-

lished in Yeongwol-gun among all gun-level local areas across the country. It was found that Yeongwol Y Park enhances resident satisfaction by providing free admission

tickets to the local residents of Jucheon-myeon, where the park is located, all the year round.

The cultural events, however, was found to have an insignificant direct effect on resident satisfaction. Cultural event elements, such as event participation, holding events, ease of participation, utilization of local resources, and reaching a consensus, were also found not to have a significant effect on resident satisfaction. It was found that Yeongwol Y Park, as a cultural hub in the region, did not serve its role sufficiently as a cultural learning venue for the local residents and did not increase the level of satisfaction of local residents.

Hypothesis [H1-3] was dismissed because local communities did not have a significant direct effect on resident satisfaction. It was found that the local cultural and artistic community activities did not lead to resident satisfaction, hence a policy measure that helps residents interact with artists is needed.

Hypothesis [H2-1] was adopted as the cultural facilities had a significant positive effect only on trust, an element of social capital. Art museums provide opportunities for local residents to appreciate various cultures. Since trust is not built overnight, the central and local governments must establish a system that can continuously provide cultural contents. Both hypotheses [H2-2] and [H2-3] that cultural facilities have a positive effect on participation and networks, two elements of social capital, were dismissed. It is because the participation or network cannot be formed only by the cultural facilities, resulting in low resident participation considering the nature of the state-run project.

The hypothesis [H2-4] that cultural events have a positive effect on trust was also dismissed. It was discovered that there is a limit for a cultural event to serve as a catalyst in trust building by promoting cooperation among members of society through festivals and events. On the other hand, the hypothesis [H2-5] was adopted as cultural events were found to have an effect on participation. Yeongwol-gun is characterized by large number of events driven by the participation of local residents in festivals using tangible and intangible local resources. In most of the traditional events held annually, it is a must for local residents to join, though it may be only simple participation. However, the hypothesis [H2-6] that cultural events have a positive effect on network was also dismissed. As the residents participation in

festival planning is mostly one-off participation rather than active participation, it is believed that it has not been extended to an area that requires active participation such as building networks.

The hypotheses [H2-7] and [H2-9] that local communities have positive effects on trust and networks were adopted, but the hypothesis [H2-8] was dismissed as it was found not to have a significant effect on participation. A local community is a self-sustaining organization linked with members of cultural and art-related groups and clubs. Yeongwol-gun provides subsidies to non-profit corporations and organizations whose key objectives are to promote cultural and artistic activities and businesses in accordance with the Ordinance to promote and support culture and arts in Yeongwol-gun. This seems to be because the trust in the administration was shown positively with respect to the efforts to promote culture and arts, and a network is formed within clubs. Nevertheless, local communities have a strong nature of a private sector, participation is considered to be weak unless it is from a direct stakeholder in a local issue.

Social capital was found have a significant effect on resident satisfaction in the order of trust, participation, and network. Individuals establish private and public relationships with varying degrees. High level of trust in this relationship indicates that the principle of reciprocity is at play and it has the largest effect on resident satisfaction. As for participation, more active individual participation in groups or clubs, and public participation in community issues were found to have a positive effect on resident satisfaction due to stronger unity and heightened sense of achievement through resolving a common problem. When trust and participation are strengthened, a horizontal network among community members is to be formed, serving as a foundation for community development and leading to resident satisfaction.

Given the interactions between social capital elements, participation was found to affect trust. Suh (2002) reported that citizen participation in urban planning contributes to bolstering trust in plans as the fairness of the procedure is secured. Networks also affect participation.

Table 8 shows the direct, indirect, and total effects of the variable elements. The cultural facility was found to have both direct effect on resident satisfaction and indirect effect on resident satisfaction through social capital. In terms of the total impact of cultural regeneration elements on resi-

**Table 8.** Measuring direct, indirect and total impacts

| Path              |   |                       | Causal impact |                 |              |
|-------------------|---|-----------------------|---------------|-----------------|--------------|
|                   |   |                       | Direct impact | Indirect impact | Total impact |
| Cultural facility | → | Resident satisfaction | 0.190         | 0.028           | 0.218        |
| Cultural event    | → | Resident satisfaction | -             | 0.100           | 0.100        |
| Local community   | → | Resident satisfaction | -             | 0.113           | 0.113        |
| Cultural facility | → | Trust                 | 0.141         | -               | 0.141        |
| Cultural facility | → | Participation         | -             | -               | -            |
| Cultural facility | → | Network               | -             | -               | -            |
| Cultural event    | → | Trust                 | -             | 0.168           | 0.168        |
| Cultural event    | → | Participation         | 0.392         | -               | 0.392        |
| Cultural event    | → | Network               | -             | -               | -            |
| Local community   | → | Trust                 | 0.277         | 0.023           | 0.300        |
| Local community   | → | Participation         | -             | 0.053           | 0.053        |
| Local community   | → | Network               | 0.236         | -               | 0.236        |
| Trust             | → | Resident satisfaction | 0.199         | -               | 0.199        |
| Participation     | → | Resident satisfaction | 0.171         | 0.085           | 0.256        |
| Network           | → | Resident satisfaction | 0.187         | 0.057           | 0.244        |
| Participation     | → | Trust                 | 0.429         | -               | 0.429        |
| Network           | → | Participation         | 0.224         | -               | 0.224        |

dent satisfaction, the cultural facilities was far greater than other elements. In the cultural regeneration project, good quality cultural facilities, the use of unused area, and the meeting of residents' cultural needs were found to have the greatest impact on resident satisfaction.

It can be seen that cultural events have a direct effect on participation, while local community has a direct effect on trust and network. The cultural event, in particular, was found to have the greatest direct effect on participation. All social capital elements have a significant effect on resident satisfaction with the trust having the largest direct effect. The participation show the highest total impact of social capital on resident satisfaction, followed by network and trust. This indicates that resident participation has the highest potential to increase the satisfaction with the project in the cultural regeneration project using unused area.

[Hypothesis H4] was partially adopted as the cultural facility, cultural event and local community were found to have an indirect effect on resident satisfaction through social capital formation. Cultural facility, cultural event, and local community have indirect effects on resident satisfaction through trust, participation, and network and trust, respectively. Although the cultural facility had the highest total

impact on resident satisfaction among the cultural regeneration elements, the total effect of participation and networks, the elements of social capital, was found to be greater. More in-depth study on social capital in cultural regeneration projects should be needed.

## V. Conclusion and Implications

This study aimed to present the implications of cultural regeneration using unused area by analyzing the effects of exogenous variables: cultural regeneration facility, cultural event, and local community, which are the elements of cultural regeneration, on the dependent variable, resident satisfaction, through the parameters: trust, participation, and network, which are the elements of social capital. The following results and implications have been drawn from the analysis.

First, only the cultural facility among the elements of cultural regeneration, has a direct or indirect effect on resident satisfaction, and it has a direct effect on trust, one the social capital elements. Cultural products linked with local resources should be developed in addition to programs for local residents so that the local residents can have a sense of

pride in their cultural facilities.

Second, the cultural event was found to have an indirect effect on resident satisfaction through participation. It appeared that the participation of local residents is crucial in the process of preparing and implementing cultural events. Participation in cultural events such as festivals and local events improves a sense of belonging and a sense of unity. As a member of local community, a sense of solidarity encourages voluntary participation in solving local issues and enable efficient project execution. Nevertheless, it is believed that the lowest total effect of cultural event on resident satisfaction was caused by a lack of meeting the cultural demands of the local residents.

Third, the local community was found to have an indirect effect on resident satisfaction through trust and network. Since local communities catalyzed through culture and arts are united for the same purpose, trust between members is solid and the network building between local residents and artists are important. The local community has no direct effect on participation. It is necessary to develop programs where artists and local residents can take part together, and to build a creative space so that local residents and artists can engage together.

Fourth, all social capital elements were found to have a positive effect on resident satisfaction in the order of participation, network, and trust. Participation and networks increase the resident satisfaction by enhancing the sense of belonging and unity among the members of society. Stephen Knack and Philip Keefer of the World Bank reported that the economic growth increases by 0.8% when the trust in society increases to 10% (Lee et al., 2009). It was found that the social capital had a greater effect on resident satisfaction compared to cultural regeneration. This suggests that social capital should be the first priority to consider and strategic measures for social capital formation such as policies and applications must be sought after.

This study is significant in that it analyzed the effect of cultural regeneration of unused area on resident satisfaction. Yeongwol Y Park has positioned itself as a local attraction in a short time despite the COVID-19 situation. To achieve successful cultural regeneration, innovative and creative cultural regeneration is a prerequisite. For creative cultural regeneration, the artists' capabilities, understanding of local resources, and public-private collaboration are critical, and

organic interaction between stakeholders should take place. It is important to enhance the strengths of the region and work together with local residents rather than simply imitating other regions.

The limitations of this study and future research directions are as follows. First, there was a limit in analyzing the economic and social implications through tourists since the study targeted Yeongwol-gun as the study area. In future research, more in-depth and generalized research results shall be presented by expanding the study target tourists as well as local residents. Second, Yeongwol-gun promotes itself as a cultural city, but there is a lack of cultural and artistic foundation such as various cultural events and interactions with artists as can be seen from the analysis result that cultural events and local communities do not have a direct effect on resident satisfaction. Third, since the Yeongwol Y Park project did not involve active participation of local residents in the cultural regeneration, it lacks significance in the correlation analysis with social capital. It is necessary to seek ways to activate various programs through collaboration between the private, public, and experts, similar to the Area Management of Japan proposed by Lee and Lee (2017). The local and central government should put more efforts in increasing social capital as a cultural hub by running programs that can help engage local residents and formulating strategies for sustainable regeneration to generate profits in connection with local industries.

After 17 years since Yeongwol-gun first began the project for promoting museum towns in 2005, there should be an in-depth discussion on the evaluation and development strategies for the past projects. Although it can be assessed positively that Yeongwol-gun created cultural value through the museum fostering project in the abandoned mine area, its lack of active response to paradigm change in the tourism industry after the government support was stopped remains to be resolved.

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Note 1. Choi, Ok-Yeong is Korea's leading land artist and is currently a professor at the Department of Formative Art and Design, Gangneung-Wonju National University.

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