INTERNATIONAL CONFERENCE
"THE KOREAN EXPERIENCE:
LESSONS FOR LAC DEVELOPMENT"

Plenary Session VIII
Korean New Towns:
A Viable Smart Growth Strategy for Cities in Latin America and the Caribbean?

The New Towns Program in Korea

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Overviews

- Residential NTs in SMA
  - SMA: Seoul, Incheon, and Gyeonggi

	Area (km2)	Population	Density (people/km2)
Seoul	**605**	**10,442,426**	**17,260**
Incheon	1,032	2,851,491	2,763
Gyeonggi	10,188	11,727,418	1,151
Total	11,825	**25,021,335**	2,516

Overviews

Seoul
- Capital city for 620 yrs
  since 1394

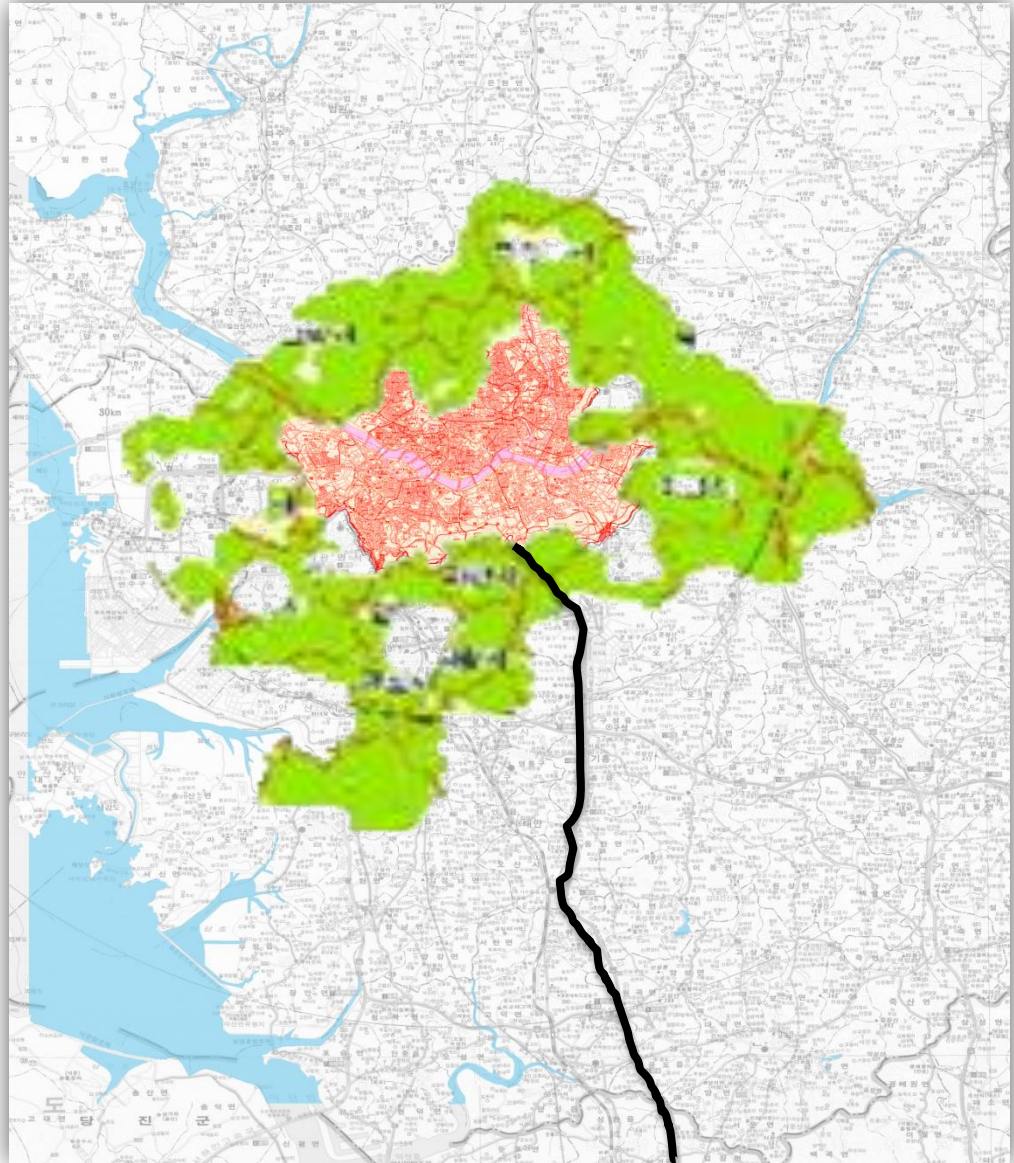Incheon

Seoul

Gyeongi

Overviews

Seoul

Busan

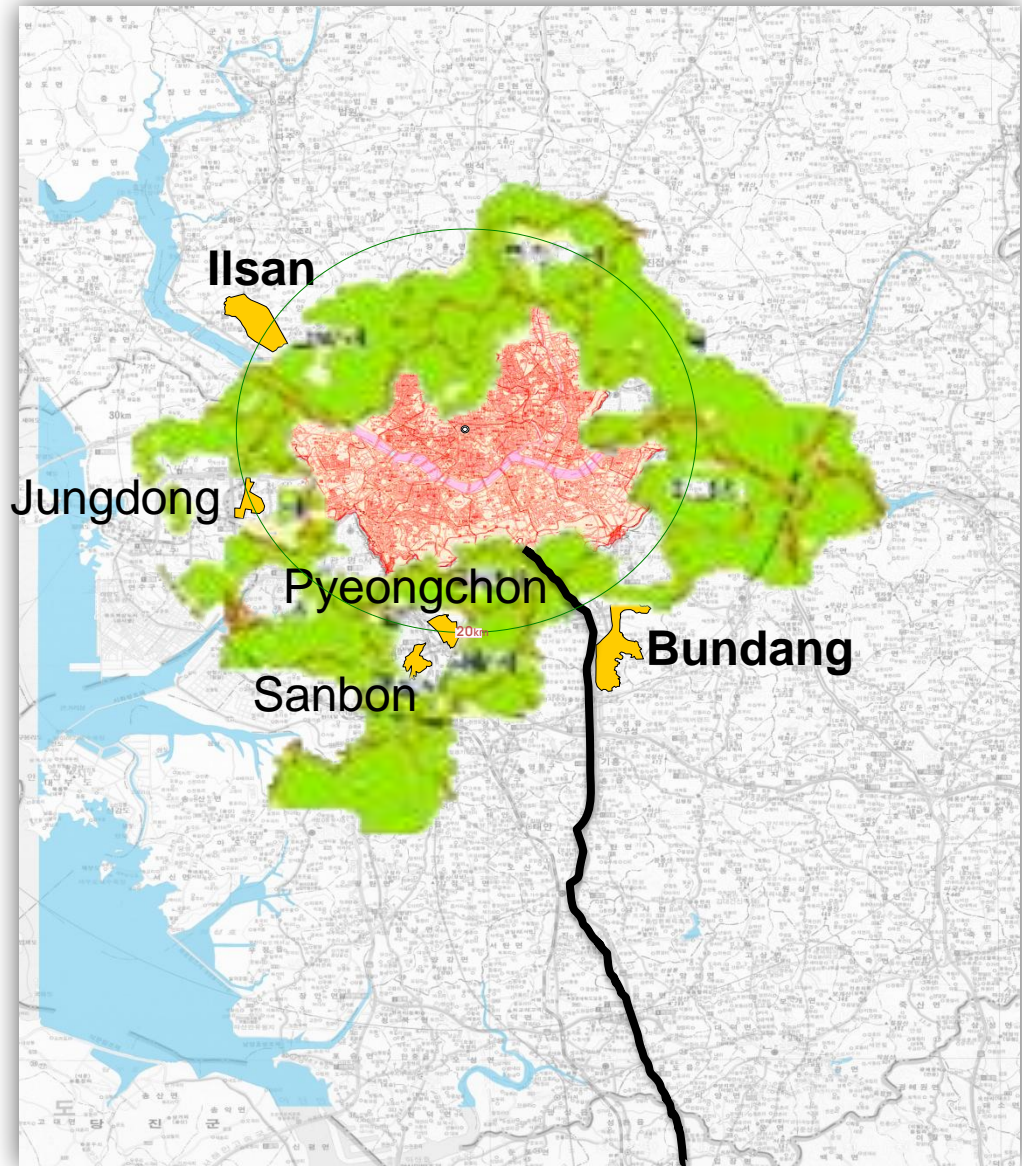**Gyeongbu expressway**
- 1968 - 1970
- 400km
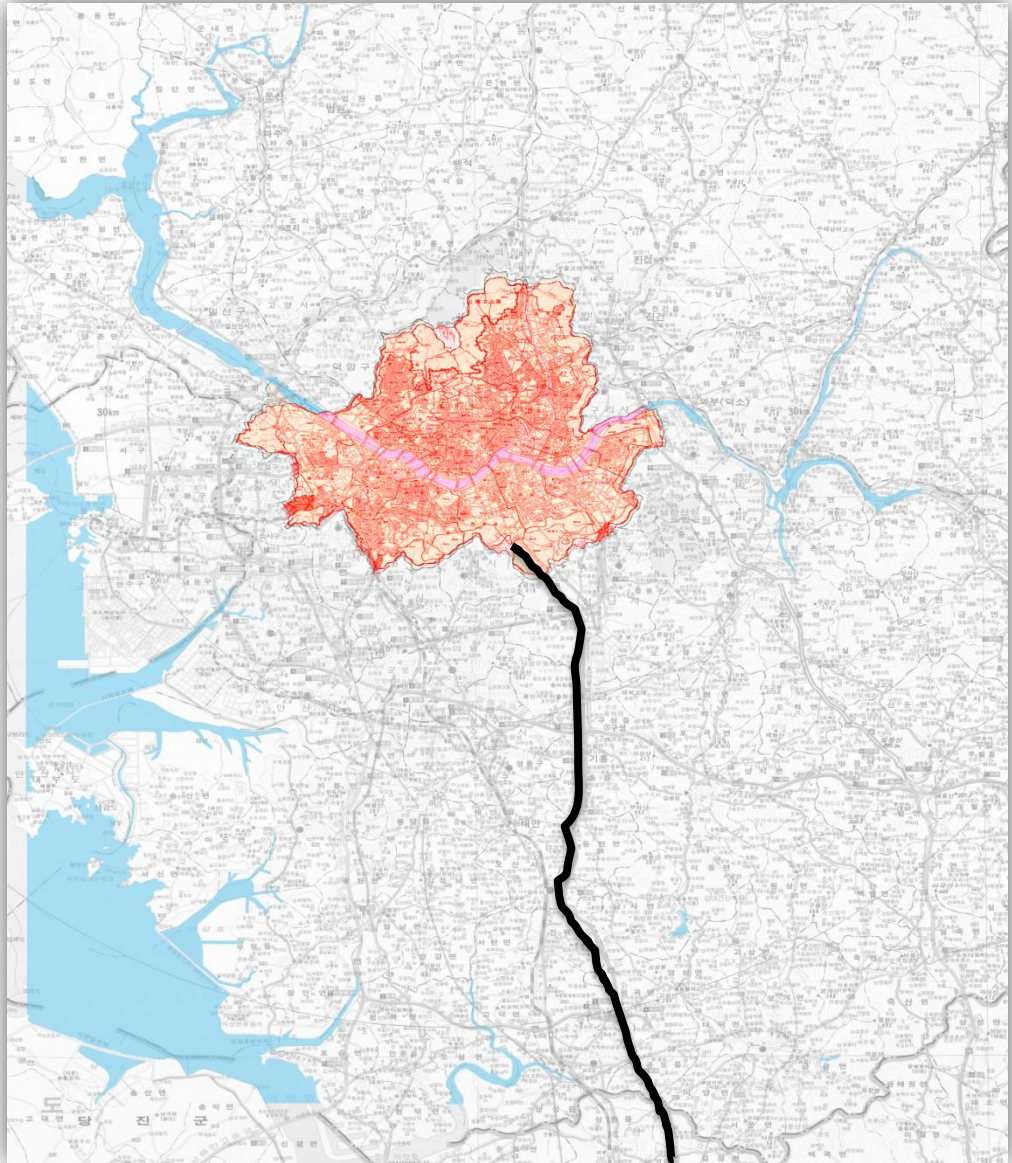
Overviews

Green Belt

- Designated in 1971

Overviews

The 1st generation of NTs

- 1989 - 1996

- 5 New Towns

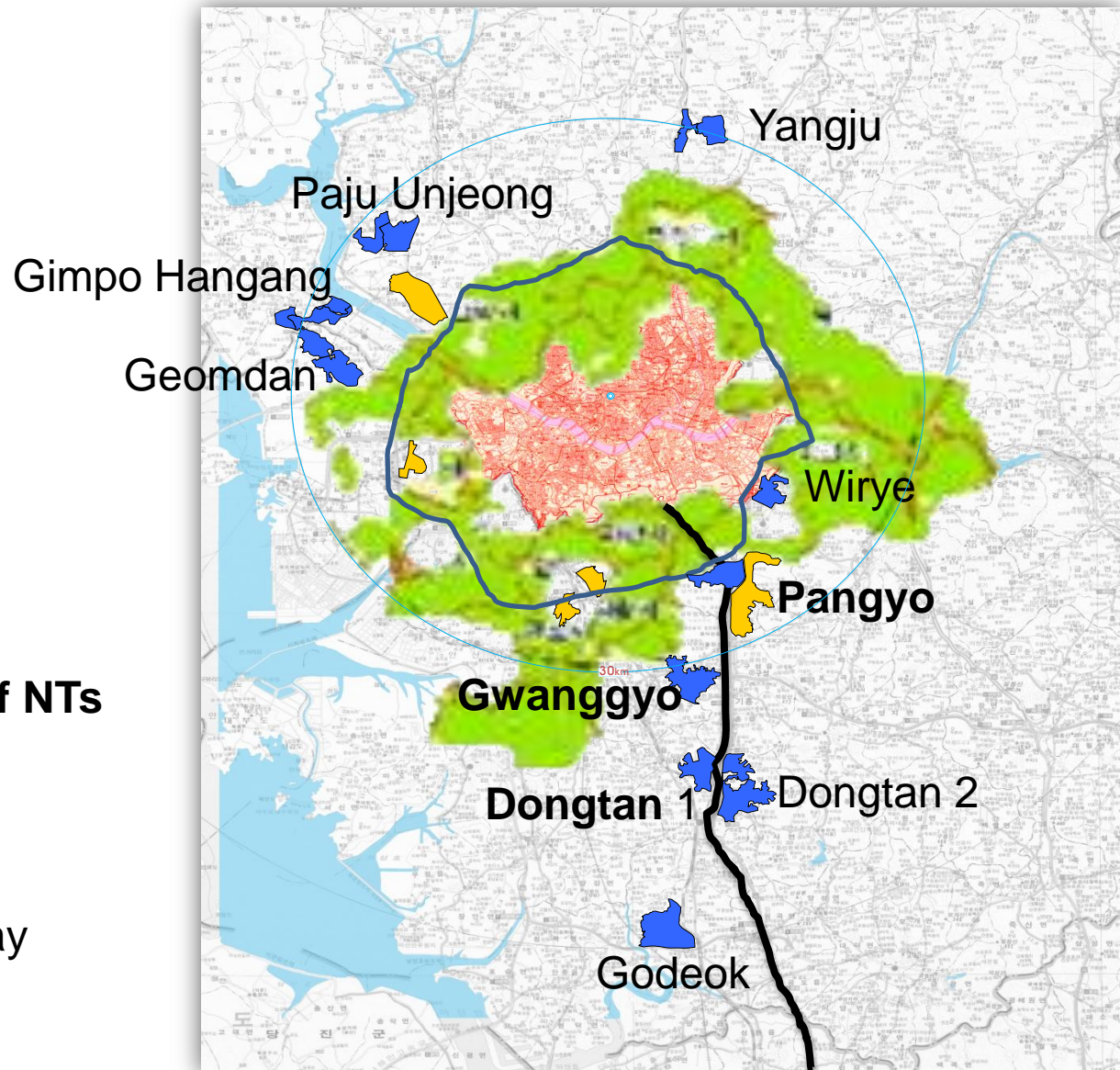- 20km, 1 hour

- just outside of GB

Ilsan

Jungdong

Pyeongchon

Bundang

Sanbon
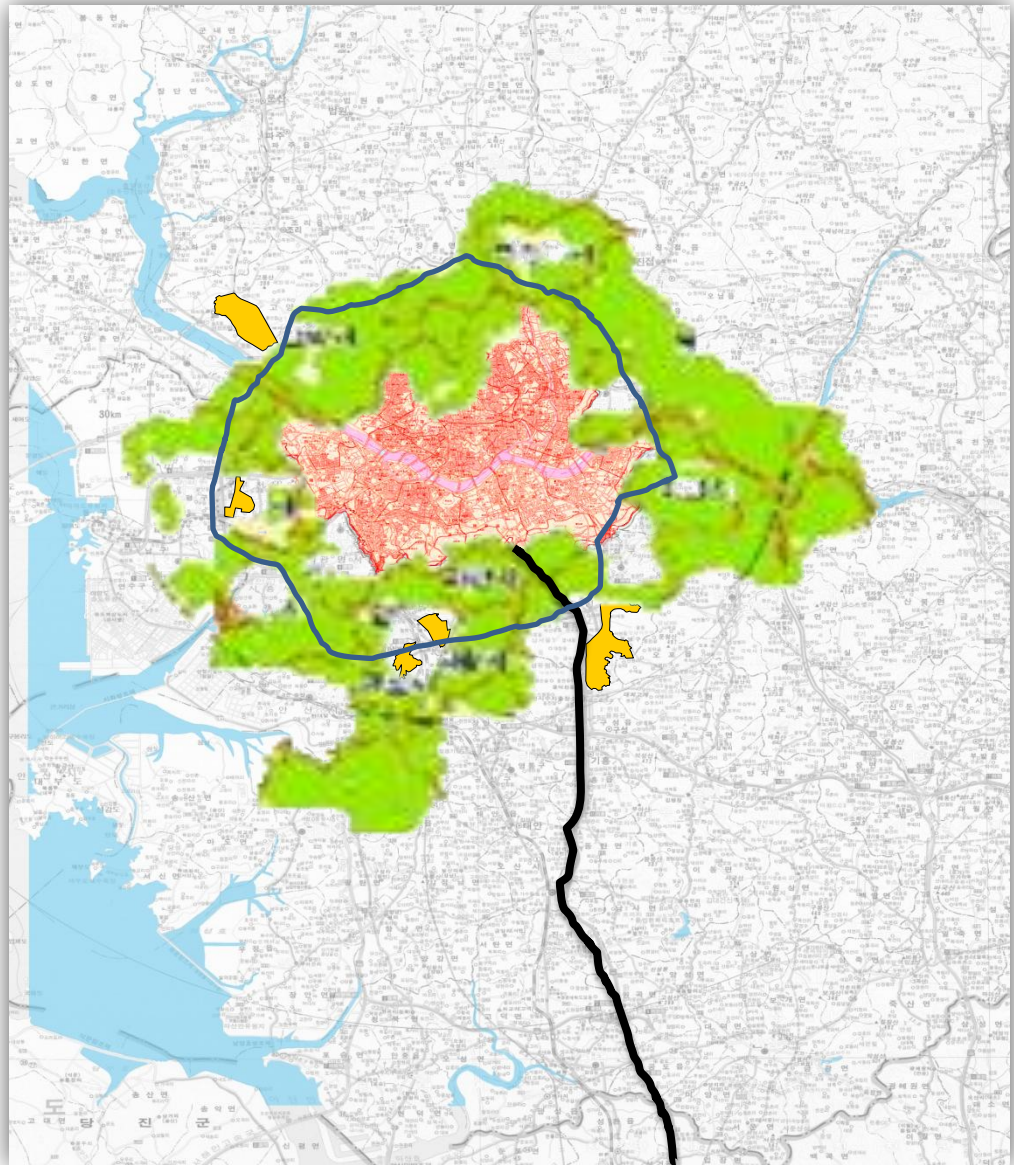
Overviews

Ring road

- began in 1988

- almost finished in 1999

- completed in 2007

- 130km

Overviews

The 2nd generation of NTs

- 2001 - 2020
- 10 New Towns
- more than 30km away
- Gyeongbu corridor

The 1st Generation of NTs

1989~1996 (5–7 years)

The 1ˢᵗ Generation of NTs

- Background
  - 1986-1988, economic growth rates over 10%
    - 1988 Seoul Olympic Games
  - Housing prices skyrocketed
  - No more lands for housing in Seoul

  - ➜ "2M Housing Construction Plan"(1988-1992)

The 1ˢᵗ Generation of NTs

- Total area: **5,014** ha

  (400 – 2,000 ha, each)

- Total population: **1,168,000**

  (170,000 – 390,000 each)

- Population Density: **233**/ha

- Total **housing units: 292,000**

  (41,000 – 100,000 each)

- Commercial area: 7.7%

- Green space: 19%

Bundang

The 1ˢᵗ Generation of NTs

Ilsan

Positive effects

• Housing prices stabilized

• Better living provided

• Population decentralized

The 1ˢᵗ Generation of NTs

- Negative effects

  - Focused on the housing needs for middle classes
  - Accelerated population concentration in SMA
  - Hindered balanced national development

  - Led to increased commuting distances
  - Large-scale construction projects all at once
    - → shortages of materials and manpower
    - → increases of construction expenses
    - → poor build quality

The 2nd Generation of NTs

2001~2020 (average 10yrs)

The 2nd Generation of NTs

- Background
  - After 1st NTs, housing prices stabilized
  - Financial crisis in 1997
  ➔ No large scale housing projects by public sector

  - Dispersed small private projects prevailed
  ➔ Disorderly unplanned development
  ➔ "Plan first, develop later"

  - Housing prices rebounded in the 2000s
  ➔ the 2nd phase of NTs began

The 2nd Generation of NTs

- Planning Criteria for Sustainable NTs (2005)

  – Guidance for sustainable development

  – Definition of 'New Town'
    - More than **330ha**
    - Developed by Central Government

The 2nd Generation of NTs

- Planning Criteria for Sustainable NTs (2005)

  - Housing for 'Social Mix'

    - single-family : low-rise multi-family : **high-rise multi-family**

      = 20-30 : 5-10 : **60**-75%

    - **sale : rent = 70 : 30**

    - rental housing

      60㎡↓ : 60-85㎡ : 85㎡↑ = 50-60 : 20-30 : 10-20

The 2ⁿᵈ Generation of NTs

- Total area: **12,411** ha

  (670 - 2,400 ha, each)

- Total population: **1,541,000**

  (90,000 – 290,000 each)

- Pop.Density: **124**/ha (halved)

- Total housing units: **592,000**

  (29,000 – 116,000 each)

- Commercial area: 4.3%

- Green space: 30.9%

Pangyo

The 2ⁿᵈ Generation of NTs
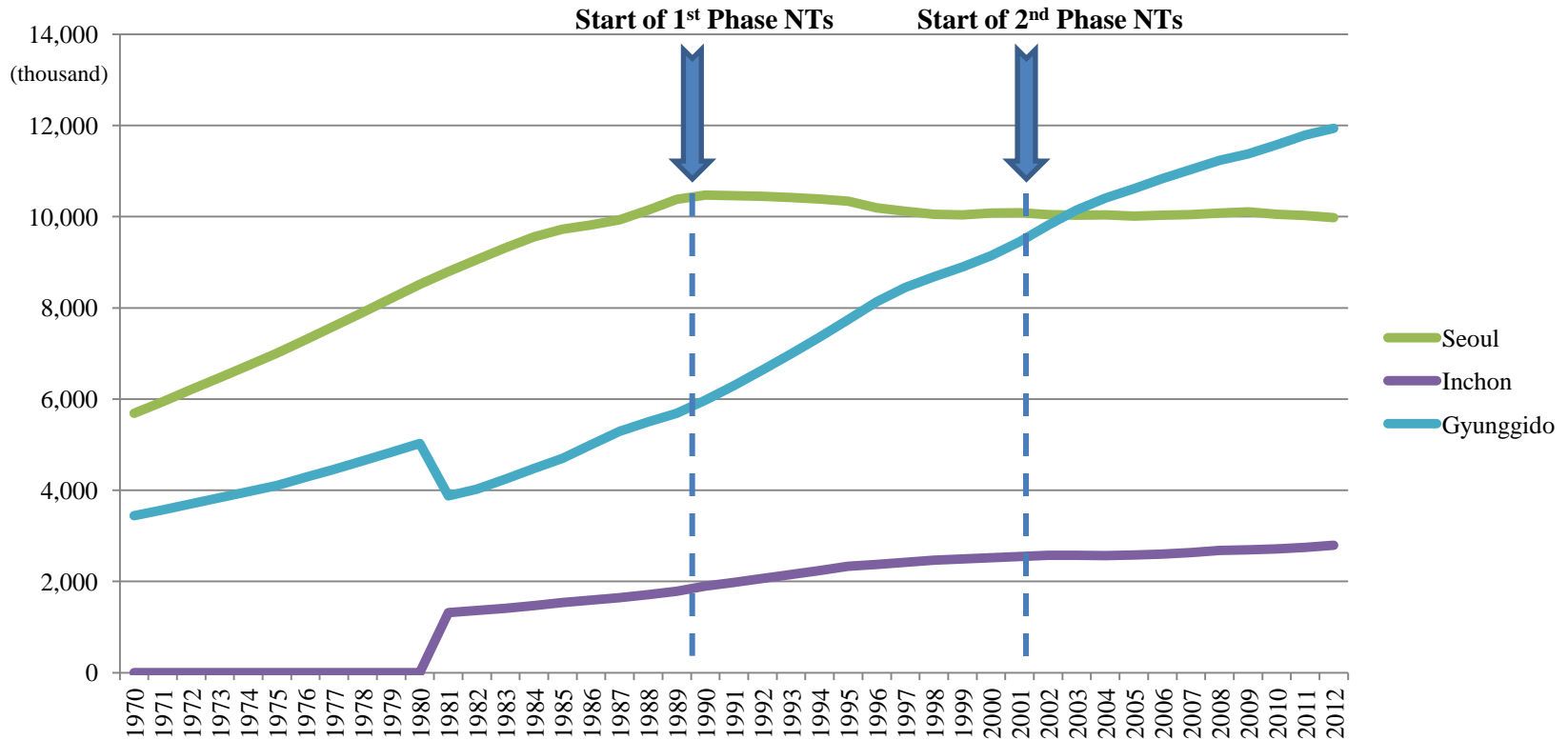
Planning Concepts

- Sustainable development

- Public transportation
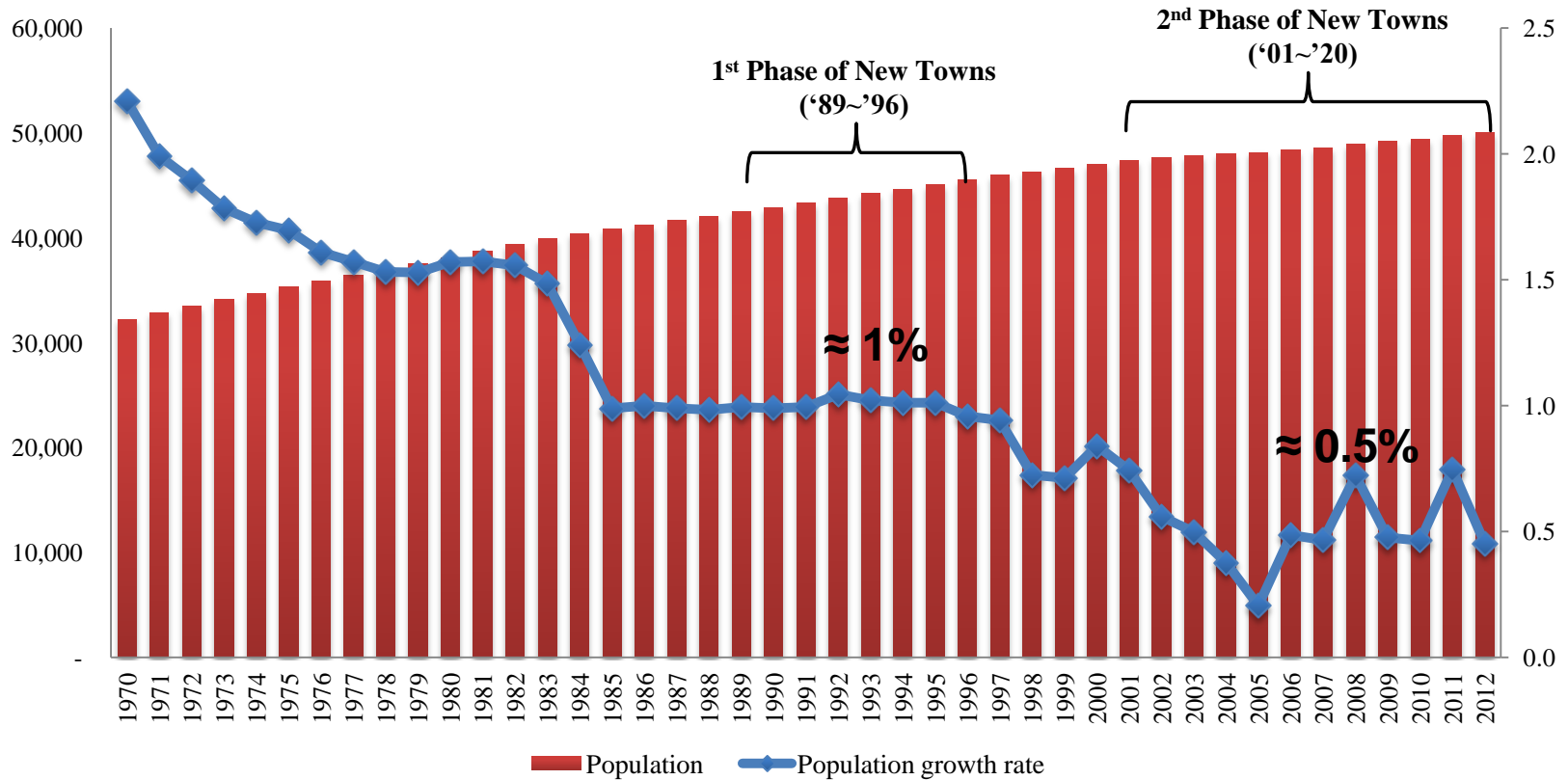
- Self-containedness

Dongtan 1

Comparisons

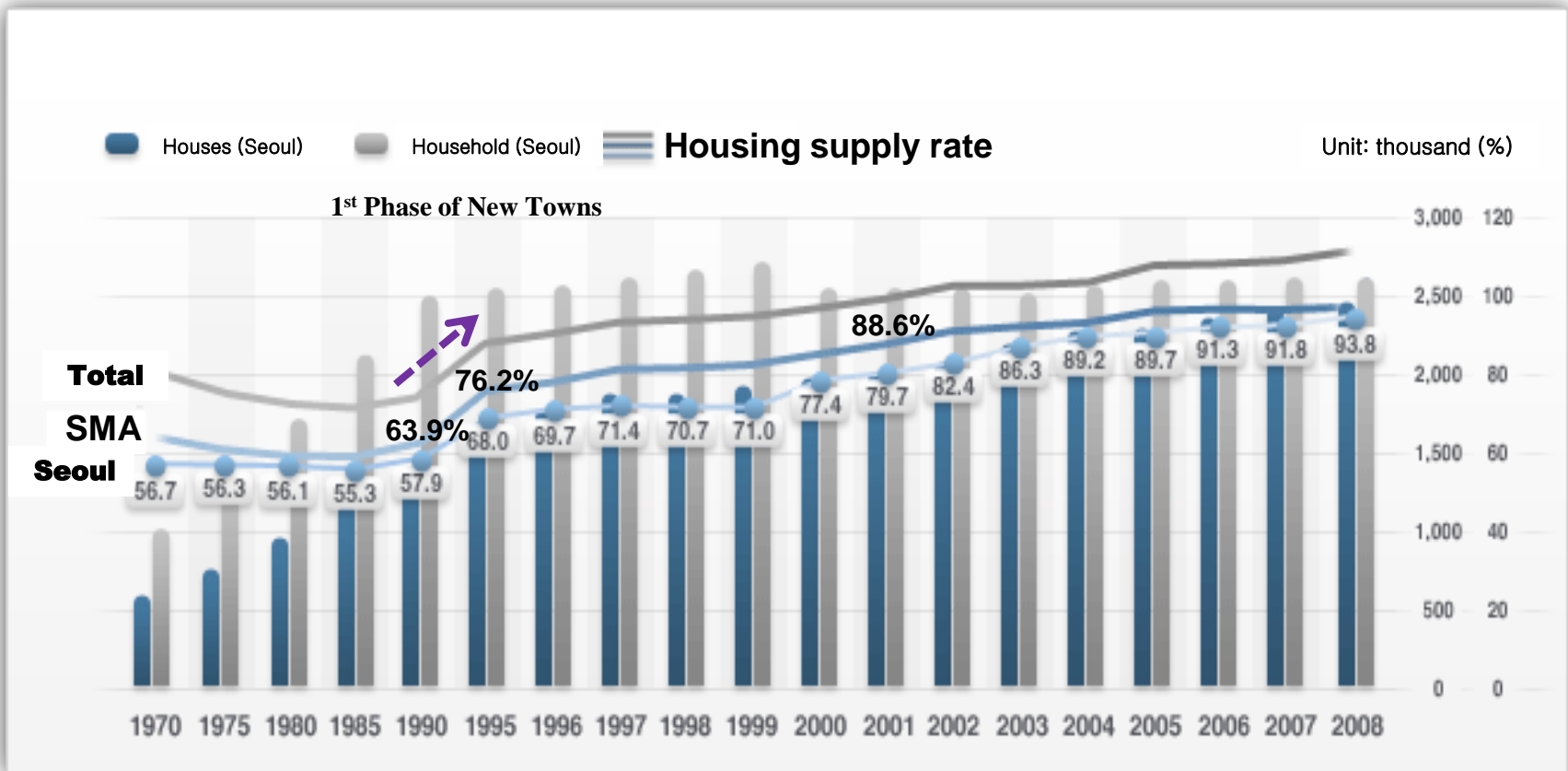- ## Population (in SMA)

Source: Statistics Korea.

Comparisons

- ## Population Growth
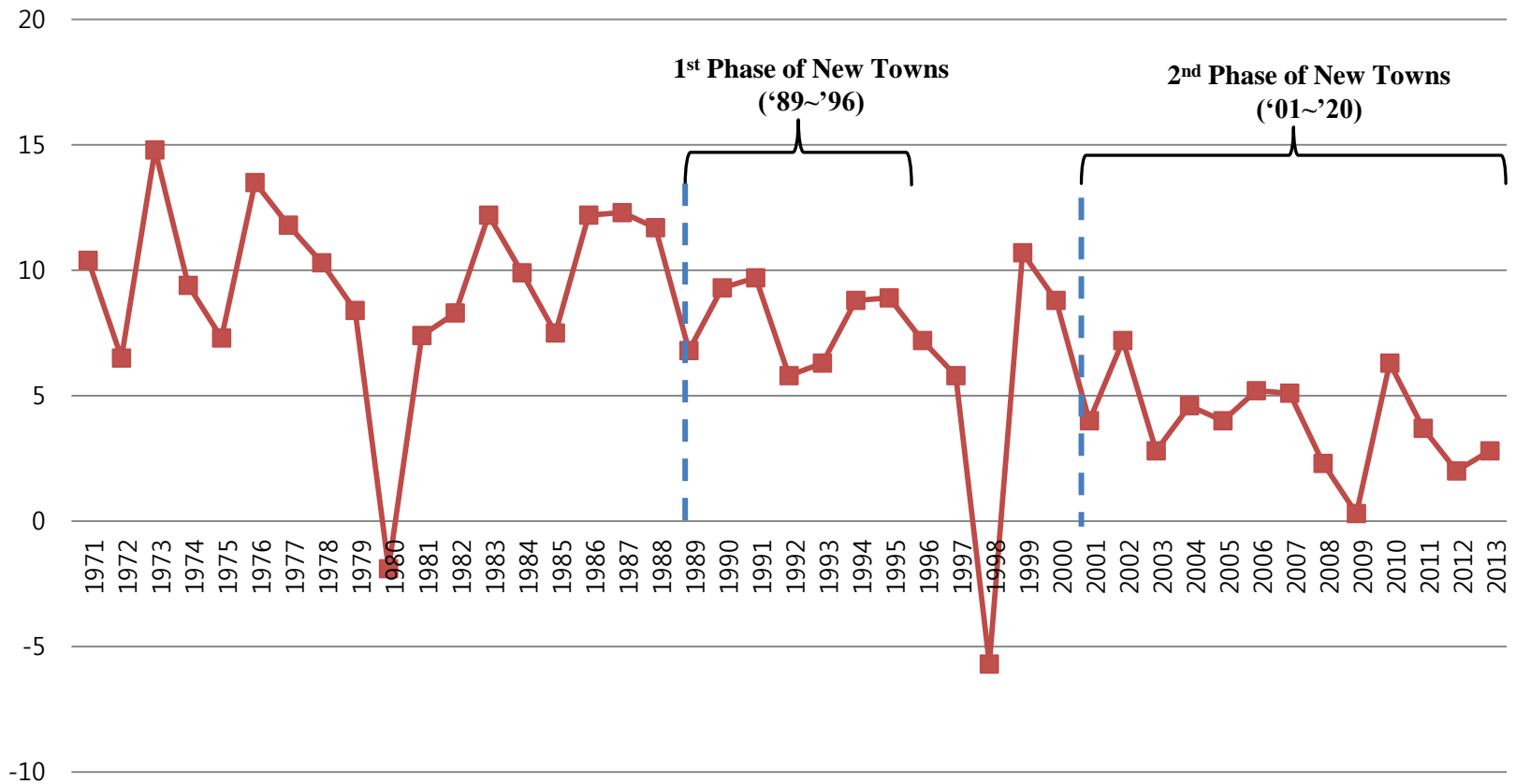
Comparisons

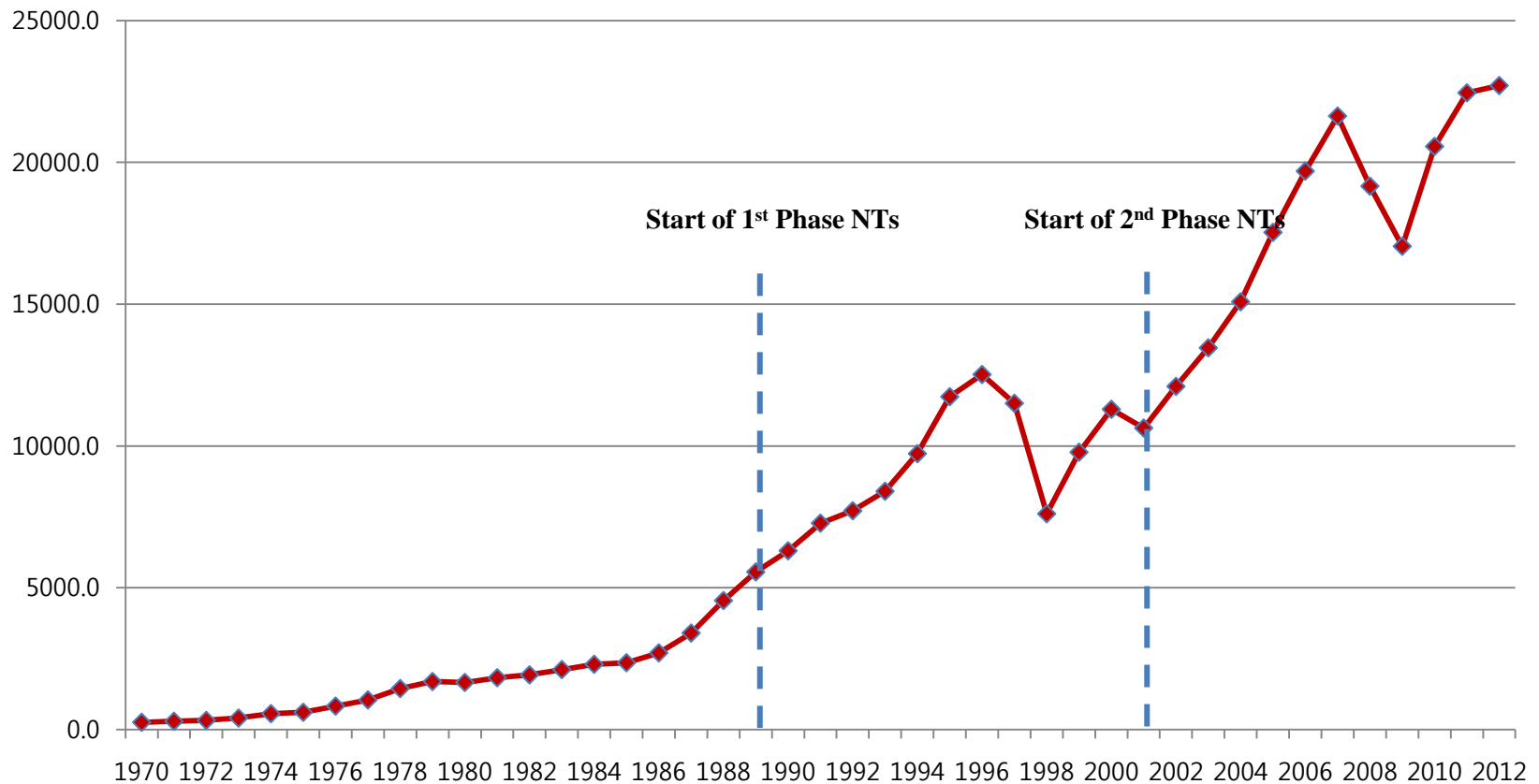- Housing supply rate (in SMA)

Source: Statistics Korea.

Comparisons

- ## GDP Growth Rate (%)

Source: Statistics Korea.

Comparisons

- GNI per capita (USD)

Start of 1st Phase NTs

Start of 2nd Phase NTs

Source: Statistics Korea.

Comparisons

	1st NTs	2nd NTs
Development approach	By Dedicated Development Corporation	Through Partnerships with Local Authorities
Transportation	Car-oriented	Public transportation
Base year	1990	2000
Urbanization rate	81.9%	87.7%
Population	42,869,280 (18,342,000 in capital area)	47,008,110 (21,746,000 in capital area)

Source: Statistics Korea

Implications

- On the supply side
  - Pushed by the central government
  - Built by dedicated state-owned company
  - Eminent domain
  - Fast construction

Implications

- On the demand side
  - Middle Classes targeted
  - High-rise multi-family housing for sale mostly
  - Indistinguishable
  - Lower density, more green ↔ Affordability