# The Rise and Fall of FAR in Korea

Wherever one might walk within the confines of Korea's capital city of Seoul, one is likely to come across some form of rudimentary multi-family housing, typically three or four storey buildings completely bereft of character or appeal. Even in the neighborhoods of Gangnam, the richest area in Korea, these structures infest the landscape between and around upscale mansions.



Clash of Residential Buildings in Yeoksam, Gangnam

But why is this phenomenon so prevalent in Seoul? One could point to a failure in urban planning policy during times of accelerated growth and development, where inefficient strategies and weak regulations on housing type let landlords and developers run amok to achieve profit maximization without regard for architectural aesthetics or urban design. However to fully understand this asymmetric urban landscape one needs to go deeper, into an understanding of Floor Area Ratio (FAR) and its ubiquitous influence on architectural development in Korea.

The desire for precious living space in the context of rising land prices and hyper-dense conditions in Seoul can be understood in terms of the desire for the highest possible floor area ratio, which represents a building's total floor area as a percentage of the land plot it is built upon. Where this desire predominates above all other considerations, the result is often the haphazard placement of unsightly building masses across the cityscape that do nothing to enhance the lived experience. Yet, while the history of architectural development in Seoul could reliably be linked to the growth of the desire for maximum FAR, a new trend started coming into view after the 2008 global economic crisis that seems to have changed the way the FAR Game is played. The new economic reality, combined with a shift in urban demographics, is spurring innovation in urban housing typologies that may very well prove to have a lasting impact not only on the disjoint urban fabric of Seoul, but on the quality of life for residents as

well.

### **Architectural Development in Seoul During Periods of Rapid Population Growth**

The first of two periods of significant population growth in Seoul occurred in the 1920s-1940s, when Korea was under Japanese occupation. This population growth naturally brought a huge demand for new housing, but since Korea did not have advanced construction technology at that time, development of Le Corbusier-style high-rise buildings was impossible. A developer's only choice was a parcel division strategy, in order to fit in more residents. In response to skyrocketing urban immigration, large parcels of land were divided into very small pieces so that more houses could be built.

A prime example of this appears in Bookchon, a historic town which housed much of the Korean noblesse at the turn of the 20<sup>th</sup> century. In the 1920s, as Japanese imperialism began to extort Koreans' wealth, Seoul experienced a population growth as many farmers who lost their lands started migrating to Seoul. The noblesse also went bankrupt, inevitably selling their properties in Bookchon. While Bookchon would have been a valuable site to preserve for its unique landscape and historical significance, large sections of it were put into the hands of rising new Korean developers, who acquired properties like the small Noogoong Palace (below) and divided them into several tiny parcels for multi-family housing developments called 'Urban Hanok'.



The subdivision of Noogoong palace in Bookchon into 68 pieces in the 1920s

While some of the elegant and historic old buildings still remain in Bookchon, they must stand side by side with the remnants of Urban Hanok and other more recent but equally unappealing developments. In their time, these structures were designed and erected solely based on developers getting the highest return on their investment from buyers and tenants. Today these complexes stand without a care about historical context, spoiling the spirit of this old district.



Unsightly Developments in BookChon, Seoul

When the second population growth in Seoul occurred from the 1960s-1990s as a result of Korea's rapid Western-style industrialization, housing development strategy had changed dramatically. Koreans now had the technology to build super high-rise condos. And as capitalism progressed through this period, a growing middle-income class emerged that saw high-rise condos as a significant step up from Urban Hanok structures. Whether or not the mushrooming development of these high-rise condos has done anything to improve the urban fabric of the city is a subject for another time. Suffice it to say that the main impetus behind the construction of these towering self-same vanilla structures was FAR, ensuring that as many residents as possible would live inside the plots of land these complexes were built upon.

While the desire to live in these new high-rise condos was pervasive across all social and economic classes, it was only the middle and upper class that could afford to live there. Considering their wages, the lower class could not afford either these condos or existing detached houses. Small developers noticed the housing demand generated by this 'left-behind' class and they started to demolish single-family houses in order to build multi-family housing to meet this new demand. They did not care about the design quality of the building because the overwhelming demand for cheaper multi-family housing permitted developers to supply low-standard spaces.

One of the interesting characteristics of this multi-family housing development is that the developers tried their best to increase FAR to the limit, even neglecting the existing FAR rules without hesitation. In working class neigborhoods they built new floors on top of the existing building, generated absurd stairways on the outside, and generally created blights upon the landscape, as exemplified by the building below.



Unattractive multi-family housing in Garibong, an old industrial area of Seoul

Korean developers operating at this time could be compared to the Jerry builders who erected New York City's famous tenements in the 19<sup>th</sup> century. Both tried to maximize their profits without much concern for residents' quality of life.

### **Game Changer**

During the long period when the engine of economic growth ran robustly in Korea, there was little done to stem the influence of the purely pragmatic manner in which the FAR Game was played. However, when the 2008 global financial crisis arrived, it altered the nature of the domestic housing market. In the past, the Korean housing market had been led by big construction conglomerates and architectural design firms, developing large-scale condo complexes and dominating most of the housing market. But in the aftermath of the global crisis, construction companies failed to adequately finance their large-scale developments, leading many of them to be put on hold and forcing some major firms into bankruptcy. Meanwhile, demographic changes, especially a rise in the number of single-family households, could no longer be ignored in housing development calculations. The percentage of single-family housing was only 4.5% in 1980, but increased to 9.1% in 1990, 16.3% in 2000, and 24.4% in 2010. This figure is expected to rise to 29% of all households in Korea in 2020. Within the single family household, the younger generation represents a large portion and has very sophisticated demands for their housing. They have become part of a growing trend to repudiate living in the old style multi-family housing units.

These economic and demographic changes allowed smaller firms—creative small developers and atelier design companies—to participate actively in the housing market. With the government offering less support and attention to large-scale construction in favor of piecemeal regeneration, these smaller firms are showing that they are a little quicker on their feet and can penetrate more deeply into the usefulness of social media. Through it, they are able to stay closer to the current pulse of demands for housing and quality of life. And because they are relatively small and flexible, they can implement customers' demands in the design and development process with less delay. They recognize that there are new demands for

housing in the city which reflect the new economic and demographic realities. They also understand that while FAR maximization is important for their revenue, it is becoming clear that exclusive focus on FAR considerations might not guarantee residents' quality of life. In the increasingly interactive dialogue between supplier and consumer, the focus on quality of life garners positive responses from the market and actually fuels the conceptualization and realization of new housing types and strategies in Korea.

## The Concept of the Share House

One such new strategy in Korea involves the interest some consumers have started taking in the concept of a 'Sharing Economy'. With wages stagnating and living expenses rising, people are looking at ways to decrease living costs by sharing some of their consumption with their neighbors. This is coupled with the desire for a better living experience in the city, highlighted by the concept of the 'Share House'.

In the Share House model, while people still maintain a personal space (sleeping space) that is secure and private, they are considering how other spaces (kitchen, living room, restroom, terrace, etc) can be shared with others. Thus, the size of the personal space can be chosen to suit basic needs, but it does not need to be big. At the same time, since they want to improve the quality of their domestic lives, they are apt to seek benefits from the shared spaces, in the form of proper, more functional design, an increase in space and freedom of movement, and a genuinely improved social environment.



Concept of the Share House built in GangNam, Seoul - ShareOne@YeokSam

This concept really turns traditional multi-family housing in Korea on its ear. Most important to residents is the lived experience; architects of these new models can turn an eye to aesthetics and an amelioration of the urban fabric. And while developer's and land owner's FAR demands still play an important part in the eventual design of these new models, suppliers are starting to recognize that taking these other elements into consideration truly does enhance the value,

prestige, and rentability of their buildings.

#### **Paradigm Shift**

High land prices and stagnating real income are increasingly becoming obstacles for ordinary urban dwellers in terms of housing. Any willingness on the part of residents to consider a reduction in their living space is coupled with the desire for a better living environment. This is not unique to Seoul, as many mega-cities in the world are encountering a similar situation, exemplified by the advent of quality-centered micro-housing that has penetrated into New York, Boston, San Francisco and other major U. S. cities.

The challenge in Seoul today is how to transform the multi-family housing units that have lost favor in the market into spaces that accommodate the demand for new and improved living experiences like the one espoused by the Share House. The rapacious developers and designers that enjoyed the previous golden age would not succeed under the current housing market conditions. In this new era, simply exceeding FAR no longer ensures developers of a victory, and all participants in housing development need to consider the quality and design of the housing as well as FAR.

The unprecedented openness to a reduction in private living space does provide developers some additional flexibility. As an example, the architectural slant line for daylight may have forced developers to limit the number of units in the past. However now, under the same regulation, they are able to build more small units. The innovations necessary to succeed in these new endeavors require out-of-the-box thinking, and some of this may be made available through the proper exploitation of social media and other advancements in technology and communication. It is more important than ever for developers, designers, and consumers to engage in an ongoing conversation around interest, demand, and a new measure of practicality and economic feasibility in order for ordinary Seoulites to realize a satisfying urban lifestyle under the current economic conditions. If this happens, it can only be of benefit to the urban lanscape as well.