

Forest City: A Case Study of a Real Estate Megaproject in Asia
Foreign Developers and Local Impacts in Malaysia

Case Study Teaching Plan
MIT School of Architecture + Planning Case Study Initiative
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OVERVIEW

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Case Synopsis

Forest City is one of the largest gated-communities being developed in Asia. It is being built in Malaysia by a well-known Chinese real estate developer, Country Garden, for more than 500,000 people on reclaimed land between Malaysia and Singapore. The Forest City case reveals the difficulties of initiating and maintaining consultations with stakeholders and acquiring approvals in a multi-layered regulatory system. Forest City was initially approved at the sub-national level (where land use decisions are usually made in Malaysia). However, in response to public concern and pressure from near-by Singapore, the developer was forced to re-design the project.

Local stakeholders, including coastal residents, fishermen, and environmentalists played an important part in drawing media attention to the risks and impacts associated with the Forest City proposal. Growing political pressure eventually led to the establishment of a compensation fund for local fishermen. Singapore's intervention ultimately forced Country Garden to comply

with national environmental regulations in Malaysia and led to a substantial scaling down of the initial project design.

Had Country Garden fully appreciated the importance of the complex ecosystems at stake, they could easily have taken steps to protect them. Detailed video interviews within the case study describe the ecological damage caused by the project. More explicit consultation with local stakeholders would have enabled Country Garden to avoid the substantial costs associated with the stop work order that was imposed by the Courts and the complete redesign that followed.

Country Garden subsequently adopted green design as its marketing and branding strategy. By committing to idea of sustainability, Country Garden hoped to set itself apart from its competitors. The case study shows that there is a clear tension between the demands of a short-term development strategy driven by the desire to generate a positive cash flow as quickly as possible, and a long-term socially responsible sustainable development strategy that aims to retain residents (rather than out-of-country buyers seeking to flip their units as soon as they can make a profit) and ensure that ecosystem services are protected.

Target Group

This case is appropriate for graduate students in urban planning, environmental planning, real estate development, and architecture.

Learning Objectives

This case study illustrates how and why developers involved in large-scale projects, particularly outside their own country, should engage with local stakeholders to ensure that they understand the full array of ecosystem services that might be harmed if design and development are not handled properly. The Forest City case presents a detailed portrait, from many perspectives, of what socially responsible real estate development entails.

USING THE CASE STUDY

The case study is only available online, presented in a new interactive multimedia format being pioneered by the MIT Case Study Initiative. The case study is designed to be accessed through the Google Chrome browser only. Chrome can be downloaded free of charge [here](https://www.google.com/chrome/browser/).¹

The case study should take students an average of 60 minutes to complete. It is suggested that professors/instructors assign the case as pre-work to be completed in advance of an in-class discussion and workshop.

¹ <https://www.google.com/chrome/browser/>

Navigation Instructions:

After a brief user tutorial, students should click “Begin” to start. A short video, taken from local news, will begin playing automatically. Students will then move through the case using the main navigation buttons at the bottom center of the window. Clicking “Next” will move students to the following chapter, while clicking “Prev” will take them to the previous chapter. Each chapter contains a piece of “core” media, which is full screen, and a series of pieces of supplemental, or “tiered” media, which can be accessed by clicking on the icons on the top right hand of the window. Each chapter contains different pieces of “core” and “tiered” media as outlined below.

Clicking on the button between “Prev” and “Next” will show a menu of the Chapters in order, and when hovering over each piece of core media, the tiers associated with each of them will appear.

Since the case study is in beta version, several functions are still being developed - including Closed Captioning, the “All Media” button, and a few others.

Case Outline

Chapter	Core Media	Tiered Media
1	Case Introduction <i>Text</i>	Infographic – Business Times <i>PDF</i>
		Forest City Master Plan <i>Animated Map – 0:34</i>
		Forest City Promotional Video <i>Video – 5:39</i>
		Country Garden Pacific View Website <i>Link to website</i>
		Chapter 1 Media Coverage <i>PDF</i>
2	Political and Economic Context	Report: Capitalizing on Iskandar Malaysia’s Growth

	<i>Text</i>	<i>PDF</i>
		Western Johor Map <i>Animated Map – 0:55</i>
		Detailed Environmental Impact Assessment Timeline <i>Interactive Timeline</i>
		Chapter 2 Media Coverage <i>PDF</i>
3	Environmental Context and Regulations <i>Text</i>	Interrupting a Fragile Ecosystem <i>Video – 3:12</i>
		Remembering the Landscape <i>Audio – 2:44</i>
		Reports: DOE Environmental Requirements & DOE EIA Procedure and Requirements in Malaysia <i>PDF</i>
		Report: DOE EIA Guidelines for Coastal and Land Reclamation <i>PDF</i>
		Report: 2011 IRDA Shoreline Management Plan <i>PDF</i>
		Chapter 3 Media Coverage <i>PDF</i>
		Kazanah Mangrove Brochure <i>PDF</i>
Quiz #1		
4	The Stop Work Order <i>Text</i>	The Fishing Community: Feeling the Effects of Reclamation <i>Video – 6:01</i>

		Press Release: Transcript of Senior Minister of State for Foreign Affairs <i>PDF</i>
		Fisherman Compensation Contract <i>PDF</i>
		Chapter 4 Media Coverage <i>PDF</i>
5	Country Garden Pacificview's Concessions and the Kampong Pok Meeting <i>Text</i>	The Kamong Ponk Meeting <i>Video – 10:33</i>
		Press Release: Disagreement with the Proposed Forest City Project <i>PDF</i>
		Chapter 5 – Media Coverage <i>PDF</i>
6	Responses to the DEIA <i>Text</i>	Country Garden's Reaction to the DEIA <i>Video – 3:38</i>
		DEIA Executive Summary <i>PDF</i>
		Chapter 6 Media Coverage <i>PDF</i>
Quiz #2		
7	Greening Forest City <i>Text</i>	Defining a "Green City" <i>Video – 5:37</i>
		Sasaki Forest City Master Plan <i>Slideshow of Drawings</i>
		Chapter 7 Media Coverage <i>PDF</i>

8	The Future of Forest City <i>Text</i>	Chapter 8 Media Coverage <i>PDF</i>
Quiz #3		
Acknowledgements		

TEACHING PLAN